PUBLICIS GROUPE

2014 REGISTRATION DOCUMENT

ANNUAL FINANCIAL REPORT

Contents

The elements of the Annual Financial Report are clearly identified in the table of contents using the pictogram ✤

PUBLICIS GROUPE

2014 REGISTRATION DOCUMENT

ANNUAL FINANCIAL REPORT

This Registration Document contains all the elements of the annual financial report

PROFILE

3rd ranked global communications group

Publicis Groupe offers its local and international clients a complete range of analog and digital communication services

Present in **108 countries** on 5 continents,
Publicis Groupe has approximately **64,000** employees

Leader in digital communications leader
42% of 2014 revenue

Recognized creativity

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Registration Document was filed with the Autorité des marchés financiers (AMF) on April 8, 2015, in accordance with Article 212-13 of the AMF general regulations. It may be used in the framework of a financial transaction only if supplemented by a Transaction Note certified by the AMF.

This document has been prepared by the issuer and involves the liability of its signatories.

Copies of the Registration Document are available from Publicis Groupe SA, 133, avenue des Champs-Élysées, 75008 Paris, and on the website of Publicis Groupe SA: **www.publicisgroupe.com** and on the AMF website: **www.amf-france.org**.

Message from the Chairperson

Élisabeth Badinter

2014 will remain a memorable year for Publicis, full of events, some happy and some less so. But they all, without exception, will once again have revealed the incredible personality of Publicis: a courageous group that never compromises its values, a tenacious group that never gives up on growth, a determined group with an incredible ability to bounce back.

In the first half, the calling off of our planned merger with Omnicom was an experience from which we learnt lessons. This deal made sense and, with eyes wide open, we shared the same goal for a while. But we realized that the merger wasn't taking the desired path and threatened to undermine everything that made our Group strong. Should we just accept this because of mutual commitments made in public? Without hesitation, the answer was no! We had the courage to refuse a tie-up that went against our interests and to go through a barren spell but one that offered much more for the future of Publicis. Preserving our identity and independence were dearer to us than anything else.

It is now clear that this was the right decision.

In the second half, our new-found freedom provided us with a wonderful opportunity to take a major step forward with the acquisition of Sapient, which has now been completed.

True to the strategy launched at end-2006 – which was even then the most ambitious and the most modern – Maurice Lévy once again showed with this deal that he has outstanding vision.

This acquisition gives us a significant lead in the new digital and technology fields, right at the center of the action! And even as the societal changes forecast just five years ago have now come to pass, the Publicis Groupe has, together with Sapient, become the world leader in corporate communications, marketing and transformation.

In other words, a powerful weapon for our clients who are themselves faced with their own changes.

The deep transformation of our Group, our desire to work closely with our clients in this new digital world, also meant that we had to adapt our organization. To meet these new challenges, we promoted a new generation of talented leaders to the helm of the Group. To this end, a new Management Board was appointed for a four-year term and we have created a new consultative body called the "Management Board +" to provide the new Management Board team with its expertise.

2014 thus ended brightly, with renewed momentum and head held high, after what was a complicated first half for the Group. It is clear that the environment will remain challenging, but we move into 2015 with a stronger base and significantly higher potential. I thus continue to firmly believe in the determination of our employees to keep the Group growing. For which I would like to thank them in advance.

Both on behalf of the Supervisory Board and personally, I would also like to thank Maurice Levy for his efforts on behalf of the Group and for this appetite for success, which he manages to so clearly pass on to the teams.

With the Publicis Groupe in full control of its destiny, having once again anticipated the major changes facing the world and our industry in order to better serve our clients, we look to the future with great confidence.

Élisabeth Badinter

Chairperson of the Supervisory Board

Message from the Chairman

Maurice Lévy

2014 was a year full of macro-economic and political news. In China, it marked the tipping point in terms of economic policy, with the transition from a model based on infrastructure investment to an unreservedly consumption-driven economy; not forgetting an unprecedented anti-corruption drive. In India and Brazil it was election year, with varying degrees of success implementing their respective strategies. In Russia finally, on the back of economic sanctions and the Ukraine crisis, the ruble and the economy plunged.

Europe for its part had a mixed year, with Southern countries struggling with their debt and deficits, facing difficulties generating job-creating growth; and Northern countries in more robust health, thereby accentuating the North-South divide.

Paradoxically, the real "emerging" economy is the United States, the bright spot globally. A number of key indicators are positive and continue to provide reassurance for 2015 – construction, innovation and investment.

Against this mixed background, and while the considerable developments in the digital sphere are transforming both the marketing and communications channels and business models of communications groups, our industry has regularly revised down its forecasts.

In this respect, Publicis had a disappointing year with our 2% annual growth neither reflecting our capabilities nor our expectations. There are lots of reasons, and in particular the fact that our managerial teams, highly burdened, were overly focused on other projects that didn't materialize.

The fourth quarter of 2014 was the best and augurs well for 2015. Publicis should see a return to more normal growth patterns: even though we may see a decline in the first quarter, there will be a gradual build-up in the second quarter and we will, moreover, benefit from foreign exchange effects with 50% of our business being in North America.

The Publicis model is working well and is sound. The strategic choices made over the past number of years were the right ones: they represent the future. This year, over 50% of our revenue will already be derived from digital activities; this is substantial, well ahead of all our competitors, and just a beginning.

Over the coming years companies will see – in fact some are already seeing this – two phenomena: "blurring" and "uberization". The latter is defined as sudden obsolescence, as a result of technological innovation and disruption, of certain business models that are unable to transform themselves; such as taxis with the Uber platform. As for "blurring", it simply refers to a redefinition of corporate boundaries. For example, is Amazon a logistics firm? An online merchant? A cloud IT services firm? Or a designer of electronic products such as the kindle? The same is true in our own business and if we want to avoid being marginalized (uberization) or to take maximum advantage of "blurring": we must broaden our service offering in order to provide our clients with a much broader and more comprehensive service whenever our experience is both reasonable and relevant.

With the acquisition of Sapient – the most ambitious ever in our industry: USD 3.7 billion on a fully diluted basis – Publicis obtains a true gem, a leader in omni-channel commerce, technology and consulting. The Group is thus propelling itself into the online world and has become the only one capable of providing its clients with an offering that so tightly links creativity, knowledge of brands, consumers, technology and the new online world. Quite frankly, the model is unique and hyper competitive. It should allow us to grow faster.

Finally, how can we help our clients successfully transform their marketing and business if we don't transform ourselves? To meet these new challenges, Publicis has promoted a new generation of leaders to the helm of the Group, with Anne-Gabrielle Heilbronner (Secretary General) joining the Management Board, and the creation of a "Management Board +" comprising Laura Desmond (CEO of Starcom MediaVest Group), Steve King (CEO of ZenithOptimedia), Arthur Sadoun (CEO of Publicis Worldwide), Rishad Tobaccowala (the Publicis Groupe Chief Strategist) and Alan Herrick (CEO of Publicis.Sapient). In parallel, our organization is changing in order to better serve our clients: the creation of the Publicis.Sapient digital platform, the optimization of our programming offering under the aegis of our major media networks, the creation of multidisciplinary teams, as well as the creative passion that drives our advertising networks and continues to be recognized – the whole Group is on the move. The trust placed in us by our clients, this priceless asset, will not be disappointed.

I would like to take the opportunity to thank the Supervisory Board, and in particular its Chairperson, whose support and trust have been deeply appreciated during this pivotal and seminal year. I would also like to thank all our employees, whose enthusiasm, energy and determination made it possible to immediately give effect to this extension of our vision for the future. I am always so proud when I see our teams skillfully capturing emerging trends and providing our clients with innovative, exciting and effective solutions.

Maurice Lévy

Chairman of the Management Board

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PRESENTATION OF THE GROUP

1.1 Key figures

In application of European regulation no. 1606/2002 of July 19, 2002 on international norms, the Group's consolidated financial statements for the financial years presented herein have been drawn up according to the IAS/IFRS international accounting standards and the applicable IFRIC interpretations at December 31, 2014 as approved by the European Union.

The tables below present selected consolidated financial data for Publicis Groupe. The selected financial data for the years ended December 31, 2014, 2013 and 2012, are derived from Publicis' consolidated financial statements included in this document, which have been prepared in accordance with IFRS standards. These financial statements were audited by Publicis Groupe's statutory auditors, Mazars and Ernst & Young.

KEY FIGURES

In million of euros, except percentages and per-share data (in euros)	2014	2013*	2012*
Data from the Income Statement			
Revenue	7,255	6,953	6,610
Operating margin before depreciation and amortization	1,307	1,227	1,188
% of revenue	*18.0%*	*17.6%*	*18.0%*
Operating margin	1,182	1,107	1,062
% of revenue	*16.3%*	*15.9%*	*16.1%*
Operating income	1,069	1,123	1,045
Net income attributable to equity holders of the parent	720	792	732
Earnings Per Share(1)	3.22	3.67	3.64
Diluted Earnings Per Share(2)	3.16	3.54	3.34
Dividend per share	1.20	1.10	0.90
Free cash flow before changes in working capital requirements	836	901	757
Data from the Balance Sheet	December 31, 2014	December 31, 2013*	December 31, 2012*
Total assets	20,626	17,110	16,604
Equity attributable to holders of the parent company	6,086	5,095	4,615

* *Comparative information for 2012 and 2013 has been restated to reflect the application of IFRIC 21.*

(1) *The average number of shares used to calculate earnings per share was 223.9 million shares for 2014, 215.5 million shares for 2013 and 201.0 million shares for 2012.*

(2) *The average number of shares used to calculate diluted earnings per share was 227.8 million shares for 2014, 224.4 million shares for 2013 and 224.1 million shares for 2012. They include stock options and bonus shares, equity warrants and convertible loan stock having a dilutive effect. Stock options and equity warrants are deemed to have a dilutive effect when their strike price is below the average share price for the period.*

1.2 Group history

Founded in 1926 by Marcel Bleustein-Blanchet, the Company's name originates from the combination of Publi, for Publicité, which means advertising in French, and "six" for 1926. The founder's ambition was to transform advertising into a true profession with social value, applying a rigorous methodology and ethics, and to make Publicis a "pioneer of modern advertising". 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. But in 1934, the French government withdrew advertising from State radio; Marcel Bleustein-Blanchet therefore decided to launch his own radio station, "Radio Cité", the first-ever French 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 suspending 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 advertising 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-Élysées. In 1958, it opened the Drugstore on the first floor, which has since become a Paris landmark. In 1959, Publicis set up its department of "Industrial Information", a forerunner of modern corporate communications.

From 1960 to 1975, Publicis grew rapidly, benefiting in particular from the beginnings of advertising on French television in 1968. The Boursin campaign has inaugurated this new media: this was the first TV-based market launch in France, and its slogan soon became familiar to everyone in the country: Du pain, du vin, du Boursin (bread, wine and Boursin). Several months later, Publicis innovated again by siding with one of its clients in a new kind of battle: the defense of Saint-Gobain for which BSN had launched the first-ever hostile takeover bid in France.

In June 1970, forty-four years after its creation, Publicis became a listed company on the Paris stock exchange.

However, on September 27, 1972, Publicis' head offices were entirely destroyed by fire. A new building was built on the same site and the Company set about pursuing a strategy of expansion in Europe through acquisitions the same year, taking over 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 Europe. In 1977, Maurice Lévy was appointed Chief Executive Officer of Publicis Conseil, the Group's main French business, after joining Publicis in 1971.

In 1978, Publicis set up operations in the United Kingdom after acquiring the Mc Cormick advertising agency. In 1984, Publicis had operations in 23 countries across Europe. In 1981 Publicis opened a small agency in New York, which nowadays we would probably call a start-up.

In 1987, Marcel Bleustein-Blanchet decided to reorganize Publicis as a company with Supervisory and Management Boards. He became Chairman of the Supervisory Board, and Maurice Lévy was appointed 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 concluded a global alliance with the American firm Foote, Cone & Belding Communications (FCB). and the two European networks of the two partners merged. Publicis thus expanded its global presence with the help of its ally's network.

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 European network under the name FCA!/BMZ. In 1995, Publicis terminated its alliance with FCB.

On April 11, 1996, Publicis' founder died. His daughter, Élisabeth Badinter, replaced him as Chairperson of the Supervisory Board. Maurice Lévy enhanced the Company's drive to build an international network and offer the Group's clients the broadest possible presence in markets around the world. The acquisitions drive intensified and has become global: first Latin America and Canada, then Asia and the Pacific before moving on to India, the Middle East and Africa. The United States was the scene of large-scale projects from 1998 onwards, as Publicis looked to significantly expand its presence in the world's largest market. Acquisitions included Hal Riney, the Evans Group, Frankel & Co. (relationship marketing), Fallon McElligott (advertising and new media), DeWitt Media (media buying).

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 milestone in the development of the Group in Europe and the United States. In September, Publicis Groupe was listed on the New York stock exchange. This same year, Publicis acquired Winner & Associates (public relations) and Nelson Communications (healthcare communication).

In 2001, Publicis Groupe formed ZenithOptimedia, a major international player in media buying and planning, by merging its Optimedia subsidiary with Zenith Media, which had previously been owned 50/50 by Saatchi & Saatchi and the Cordiant group.

In March 2002, Publicis Groupe announced its surprise acquisition of the US 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 BogleHegarty. At the same time, Publicis Groupe 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, becoming the fourth largest advertising group worldwide, with operations in more than 100 countries and five continents.

From 2002 to 2006, Publicis Groupe successfully completed the integration of Bcom3 and Saatchi & Saatchi and reorganized many of its entities. At the same time it made a number of acquisitions to create a coherent range of services that would address advertisers' needs and expectations, particularly offering different types of marketing services and access to the principal emerging markets. In late 2005, Publicis Groupe obtained its first official rating ("investment grade") from the two leading 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 and worldwide. This operation, which was completed in January 2007, was the first step in the Group's remarkable advance into digital technology. The Group correctly foresaw at that time the profound changes that the arrival of digital communications would have on the media world and, with the acquisition of Digitas, immediately positioned Publicis as a market leader in that domain. With the launch of The Human Digital Agency project, the Group thus clearly indicated its intention to integrate digital technology into the heart of its business, thereby reaffirming the desire and vision of its founder to make the Group a "pioneer of new technologies".

During 2007 and 2008, Publicis Groupe undertook a profound reorganization of its structures and operational methods in order to adapt to the requirements of the digital era. It has thus added digital services to its well-known holistic service offer, while simultaneously pursuing the consolidation of its positions in fast-growing economies, both of which will be major challenges in the years to come.

2007 was the year of Publicis' integration of Digitas Inc. This rapid and successful integration triggered a series of acquisitions in the digital domain in order to complete the Group's global offer in the fields of interactive and mobile communication.

In 2007, the Group chose to end its listing on the New York Stock Exchange.

2008 and 2009 were devoted to pursuing Publicis Groupe's priority development in the strong growth area of interactive communications and its expansion to emerging markets.

In January 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.

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 Publicis Groupe's market share growth. This initiative allows advertisers to reach precisely defined audiences in a single campaign and across multiple networks.

The global economic crisis in 2009, which saw numerous economies enter into recession and global trade shrink by 12%, did not hinder the development of Publicis Groupe's strategy.

The acquisition of Razorfish – the number two interactive agency in the world after Digitas – from Microsoft in October 2009, brought new strengths to the Group's digital activities, notably in e-commerce, interactive marketing, search engines, strategy and planning, social network marketing and the resolution of technological architecture and integration issues.

During 2009, Publicis Groupe and Microsoft entered into a global collaboration agreement defining three core objectives for the development of digital media. Microsoft's and VivaKi's respective teams will be able to provide clients with greater added value and effectiveness in all the domains of the digital sphere: contents, performance, definition, targeting, and audience ratings.

These developments prove Publicis Groupe's capacity to anticipate market changes in order to meet new client needs and provide solutions in line with consumer expectations, thereby ensuring the Group's continued growth.

In 2009, Publicis Groupe became the world's third-largest communications firm, overtaking its competitor IPG. This position as number three has been considerably strengthened since then.

Thus, having confirmed the success of its strategy, in 2010 the Group continued its investments in digital activities and in developing areas of the world such as China, Brazil and India.

Despite the economic disruption in 2011, which was primarily due to sovereign debt in the euro zone and to another financial crisis in August, followed by the United States' debt rating downgrade, Publicis accelerated its expansion and the implementation of its strategy, prioritizing digital businesses and developing countries. Accordingly, the Group purchased Rosetta, one of the largest digital agencies in North America; Big Fuel, based in New York, and the only agency specializing in social networks, thus significantly strengthening the Group's position in digital media; Talent and DPZ in Brazil and Genedigi in China.

During 2012, a difficult and uncertain year for growth, especially in Europe, Publicis Groupe continued to pursue an action plan with persistence and resolve, ranging from acquisitions to agreements designed to intensify the implementation of its strategic choices. The Group thus made a number of targeted acquisitions, particularly in the digital sector, in France, Germany, the United Kingdom, Sweden, the United States, Russia, Brazil, China, Singapore, India, and Israel and, for the first time, in Palestine. These acquisitions will notably enhance the Group's growth in the years to come. Additionally, still in the digital arena, Publicis Groupe and IBM formed a global partnership in light of their unparalleled influence on the future of e-commerce. The acquisition of Rosetta in 2011 was one of the driving factors of this agreement, thanks to the Group's collaboration with IBM and its acquired expertise in e-commerce.

During 2013, Publicis Groupe actively pursued acquisitions, particularly in the digital sphere and across the globe, in order to achieve critical mass in the various businesses, especially digital, and in the countries in which it already had a footprint, thereby leveraging scale. The market changes seen over the past number of years with a genuine explosion in the Internet and the increasingly marked slowdown in the analog business reaffirmed the Group's strategic decisions and has spurred on the rapid development of digital operations. Having acquired LBi, the largest independent marketing and technology agency, combining strategic, creative, media and technical expertise, the Group proceeded to combine it with the Digitas integrated global network, creating DigitasLBi, the world's most complete digital network. It capitalizes on the seamless geographical integration of both entities: Digitas' sound position in the United States (the largest digital network), LBi's strong presence in Europe and the strong position of both entities in the Asia-Pacific region.

On July 27, 2013, Publicis Groupe and Omnicom Group signed an agreement for a merger of equals which has not materialized.

2014 was also eventful. In May, Publicis Groupe chose not to pursue the merger with Omnicom Group. With its unique position in the digital business, which offers growth prospects in a communications landscape upset by the rapid emergence of new technologies, the Group accelerated its development in innovative disciplines by acquiring several digital agencies and creating various strategic partnerships.

In September, Publicis Groupe and Adobe formed a strategic partnership to offer Publicis Groupe Always-On PlatformTM, the Group's first comprehensive marketing management platform which automates and centralizes all the components of customer marketing. This unique platform, standardized on Adobe Marketing Cloud, will enable, for the first time, all Publicis Groupe's agencies to create attractive content, analyze their marketing, identify and create audience segments, deploy campaigns, as well as monitor and measure marketing performance using a common technology and a common data structure. Integrated into VivaKi, the platform will be available to all Publicis Groupe's agencies and networks to deploy under their own respective brands.

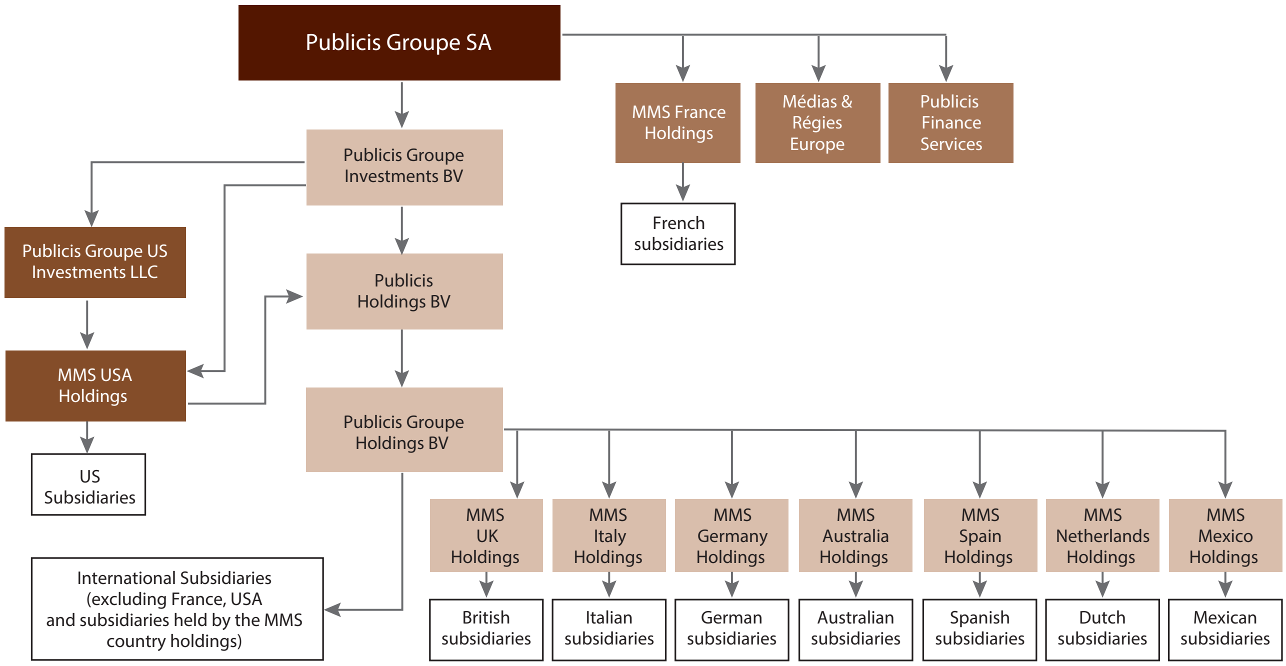
Virtually all of the acquisitions involved digital businesses: agencies specializing in social networks, social media, online content, real-time data analysis, e-commerce, digital solutions applied to marketing or multi-channel programs.

The acquisition of Sapient, announced on November 3, 2014, undoubtedly was the most notable transaction of the year. This acquisition is the largest and most strategic ever conducted in the industry. In an increasingly converged world, customers need a partner offering digital solutions to help them keep up with a connected, empowered consumer whose behavior has completely changed. The contribution of Sapient combined with Publicis Groupe's know-how in the digital area, creativity, media and brand communication creates unparalleled expertise in marketing and sales across all distribution channels and consulting services based on outstanding technological prowess. The latent needs of advertisers in light of numerous changes in the economy, consumers and technology, require an overhaul of marketing and communication models, and sometimes even of the companies themselves. Thanks to Sapient, Publicis is in a position to meet all the transformation needs of its clients.

1.3 Structure chart

1.3.1 DESCRIPTION OF THE GROUP

SIMPLIFIED ORGANIZATION CHART AT DECEMBER 31, 2014 (1)



1.3.2 MAIN SUBSIDIARIES

Information concerning Publicis' principal consolidated subsidiaries at December 31, 2014 is provided in Note 32 to its consolidated financial statements in Section 4.6 of this Registration Document.

None of the Company's subsidiaries accounts for more than 10% of the Group consolidated revenue or net income.

None of the companies in the list of principal companies consolidated at December 31, 2014 has been sold at the date of this Registration 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 borrowings or financing. The borrowings and financing of the Group are 100% held and controlled by Publicis Groupe.

During 2014, Publicis Groupe SA took no significant stake in any company headquartered in France.

(1) All companies mentioned by name are over 99% owned by the Group.

1.4 Activities and strategy

1.4.1 INTRODUCTION

As at December 31, 2014, Publicis Groupe operates in 108 countries spanning five continents, with roughly 64,000 employees. Publicis Groupe is not only the world's third-largest group, but is also a leader in all of the world's 15 largest advertising markets, excluding Japan. Overall, the Group is one of the top communications groups in Europe, North America, the Middle East, Latin America and Asia, ranking number one in media buying in the United States and number two worldwide. Furthermore, over the past years Publicis Groupe has become the world leader in the digital market through both organic growth and acquisitions.

Although the internal management, reporting and compensation systems are not organized by business sector, Publicis Groupe does provide the financial markets with information concerning the relative size of each of the different business sectors for the sole purpose of allowing sector comparisons. Pure digital operations have become the Group's biggest and most important segment with a 42% share of total revenue, far ahead of so-called "analog" advertising (28%), special and marketing operations (15%) and media (15%).

Today, the digital activities are managed either within dedicated, specialized, independent organizations like DigitasLBi, Razorfish Global, or by structures that are fully integrated into networks, such as Leo Burnett, Publicis Worldwide, Saatchi & Saatchi, ZenithOptimedia media agencies, Starcom MediaVest Group, as well as MSLGROUP, and Publicis Healthcare Communications Group. In addition, VivaKi provides all Group entities its expertise and capabilities to host and develop new technologies, thus enabling the Group's customers to benefit from the best technology solutions and produce effective campaigns. VivaKi also manages relations with platforms (MSN, Google, Yahoo!) or social networks (MySpace, Facebook, Twitter, etc.), develops integrated media solutions and tools to optimize the analysis of data and yields of online advertising campaigns.

Finally, over the years the Publicis Groupe has implemented a strategy aimed at acquiring Prodigious, a production entity boasting competitiveness on a world scale.

These developments reflect Publicis Groupe's long-held view of the future: the high-speed growth of all forms of digital technology next to an integrated solution and content offering for advertisers the world over.

1.4.2 STRATEGY

For nearly 90 years, Publicis Groupe has been committed to anticipating the development of markets and the behavior of consumers. In this way, it has always been able to better serve its clients, giving them the tools to benefit from winning trends that could deliver progress, growth and savings. Our strategy, patiently put in place over more than 15 years through organic growth and acquisitions, has enabled Publicis Groupe to put together an extensive offering, ranging from fast-growing digital operations in media to marketing services (e-commerce, m-commerce) and specialized agencies, and to renew its growth potential.

As early as the middle of the 1990s, the Group had already foreseen the two major trends still shaping our sector today: globalization and holistic communications.

The Group's first international acquisitions at the end of the 1990s and from 2000 onwards gave credibility to the choice of globalization as a way of accompanying our clients as they develop global identities for their brands.

The anticipation of advertisers' needs in terms of integrated or holistic communications allowed Publicis Groupe to be a pioneer in creating new, more horizontally integrated, multidisciplinary and comprehensive working methods as early as the middle of the 1990s. Our customers have been able to immediately benefit from the specific communication techniques.

The same forward thinking approach has guided the adoption from the middle of the 2000s of digital technology through major acquisitions of key interactive communications agencies: Digitas and Razorfish, the two leading interactive communication agencies, in 2007 and 2009 respectively, Rosetta in 2011 and LBi in 2013. At the same time, the Group is making several investments in these areas across the globe, be it in Europe, the United States or high-growth countries.

This strategic choice has allowed the Group – who has become a leader in communications, the booming industry vital for the future – yet again to anticipate the competition and take key positions in major areas for innovation, growth and the future.

The Group has continued to embrace the changes in a media scene that has been completely transformed by the breakup and fragmentation of audiences, the multiplication and then the inevitable merging of screens, the extraordinary development of digital under the influence of interactive and mobile communications, and the new forms of relations born of the social networks that have emerged from these technological innovations.

Today, strengthened by its presence in more than 100 countries, a diversified client portfolio of global and national leaders in their fields, a healthy financial balance sheet, and leadership in some segments and disciplines, Publicis Groupe is one of the leading communication groups, with a highly innovative profile and a number of marked characteristics:

- a strong focus on "clients", accompanying them and ensuring their marketing investments perform well;
- having a unique ability in digital technology: through major specialized digital agencies such as DigitasLBi, Razorfish and Rosetta and through the gamut of its consolidated digital expertise embedded in its networks – Leo Burnett, Publicis Worldwide, Saatchi & Saatchi, ZenithOptimedia, Starcom MediaVest Group, MSLGROUP and Publicis Healthcare Communications Group as well as VivaKi. Publicis Groupe's offering is truly in a class of its own, responding to every new technological challenge and to every new client requirement through its range of integrated services;
- clearly a creative leader according to different rankings, a clear indication of its constant concern to deliver novel and strong ideas to its clients on every occasion, constructing the images and brands that create the links between them and consumers in the precious arena of emotion;
- thanks to a dynamic approach, driven by its large creative networks, which are also among the best on the market. To name just a few: Leo Burnett, Publicis Worldwide, Saatchi & Saatchi and BBH, with their spectacular ability to win new clients and stellar growth, demonstrate their outstanding ability to "think outside the box", their teams' creativity and commitment to their clients;
- equipped with the best analysis, measurement and research tools, allowing it to be at the cutting edge 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) enjoy an unrivaled recognition in the marketplace, sustained growth, a strong position in digital media, and an impressive list of achievements in terms of new business;
- at the head of the third largest global communication network specializing in press relations, corporate communications and events built around MSLGROUP, with a leading position on the Chinese and Indian markets;
- backed by a strong capacity for innovation and experimentation, with the creation of VivaKi for example, enabling the Group to anticipate demand and maintain privileged partnerships with major online platforms and digital media.

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 titanic forces: consumer empowerment and converged media.

The Group intends to remain at the forefront of innovation in all these domains, to ensure it continues to offer its clients the best solutions and to recruit new clients and drive tomorrow's market share growth.

This strategy will be built around the following:

- support clients in the necessary transformation of their business models, by going beyond being just the world leader in digital technology and becoming the world leader in business and marketing transformation;
- removing barriers between Group structures whenever there is no client conflict of interests;
- creating horizontally integrated, multidisciplinary teams under the same leadership for clients who desire a holistic and coordinated approach to their communications; an approach that is increasingly adopted in order to respond to the tenders launched by clients;
- creating tools, models and organizations that help clients to access the complex digital world, and to interact with their targets in an optimal manner and at the lowest possible cost.

To implement this strategy, the Group will specifically rely on:

- the Publicis.Sapient platform to be set up shortly, following the acquisition of Sapient in early February 2015, which will cover the specialized digital business and the consulting business;
- a renewed VivaKi technological platform, better integrated into our two major media networks;
- three major creative networks;
- greatly enhanced production capacity, especially in India.

Publicis Groupe will encourage the most promising employees to get involved, by linking their annual compensation and long-term bonuses to targets based on growth and margins.

At the same time, Publicis Groupe 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 a policy of centralized purchasing. These actions resulted in the successful integration of acquired companies, the creation of significant synergies, a guarantee of better compliance with the Group's internal rules, and a strengthening and simplification of the Company's balance sheet. These optimization operations are carried out within the Group's strategy of offering its clients the best services at the best cost. With this in mind, Publicis Groupe is now structuring its shared service centers by region, optimizing media-buying operations and grouping certain production operations together into "platforms of excellence".

Furthermore, the Group decided to roll out an ERP system with a view to having a cross-functional, global information system, which will be present in the main countries in which the Group operates.

At the same time, a vigorous policy of liquidity creation and debt reduction has enabled the Group to benefit from an "investment grade" rating by the agencies Moody's and Standard & Poor's since 2005 (see details in Section 1.8.5 "Financial Risks").

VALUE CREATION STRATEGY

The media evolutions with the emergence and explosion of the Internet, Google, Microsoft, the appearance of social networks (Facebook, YouTube, MySpace, Twitter), the development of digital television and the proliferation of channels, changing consumer behavior and consumer markets and the fragmentation and growing complexity caused by the interactions between all these actors led to the establishment of the first stage of Publicis' recent strategy. Since 2006, the Group has focused on developing its digital business, which grew from 7% of total revenue in 2006 to nearly 42% in 2014. The Group will pursue this strategic direction seeking for the digital business to reach roughly 60% of total revenue.

The Group's acquisitions must satisfy profitability and financial stability criteria.

The Group intends to seek targets with significant potential for synergies and improvement in operating margin, which also present a good fit with its corporate culture and values.

The new complexity of the media scene, interactivity with consumers and the increase in advertisers with the arrival of new actors from emerging economies, or made possible by new media, confirm the strategy chosen by Publicis and commit it to pursuing and developing a new phase which should lead the Group from the status of "supplier of services" to "creator of value". Its clients' new concerns – whether relating to the search for value, the strength of brands, the new challenges represented by distributors' own brands, the "hard discount", the net, e-commerce, m-commerce, the new competition from emerging markets – all present opportunities for Publicis as it evolves towards a better recognition of the value created.

1.4.3 KEY ACTIVITIES AND GROUP ORGANIZATION

Publicis provides an extensive range of communications services and marketing solutions designed to meet each client's particular and evolving needs through a holistic and global approach. These encompass three main categories:

- advertising;
- Specialized Agencies and Marketing Services;
- media advice and purchasing.

Digital technology is increasingly present in all categories, from advertising and specialized agencies to consulting and media buying. In 2014, the digital business represented nearly 42% of the Group's revenue and will reach 50% of total revenue in 2015.

In addition, from 2015, clients will have access to consulting services through Sapient.

ADVERTISING

Think "global", act "local" may sound like a cliché but it is a reality. For proof, we have only to look at our clients' brands, which are growing increasingly global every day.

For this reason, besides the creative output of advertising agencies we see every day on billboards, TV, radio or in newspapers and all new media, advertising networks today play an essential role in accompanying their clients in the global development of their brands and foreseeing consumers' rapidly evolving needs.

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

Publicis Groupe owns three major global advertising networks: Leo Burnett, Publicis Worldwide 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.

Alongside these three networks, Publicis has a diverse range of creative agencies renowned for their excellence, such as Fallon in Minneapolis and London, Marcel in Paris and Bartle Bogle Hegarty in London, Mumbai, New York, Sao Paulo and Singapore.

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

The partnership between an advertising agency and its clients is often a long-term partnership, where there is a real dialog based on the client's knowledge of its own company and brands and the agency's expertise in terms of creativity, consumer understanding and ability to anticipate consumers' radical behavioral changes affecting the advertisers.

The global brands with the greatest success are the fruit of this partnership and reciprocal confidence, and Publicis Groupe agencies are proud to manage a great number of these brands.

ADVERTISING NETWORKS AND AGENCIES

- **Publicis Worldwide:** based in Paris, this network covers 84 countries and 218 agencies on every continent, notably in Europe, the United States and Brazil (including Marcel, 133, Duval Guillaume, Publicis & Hal Riney, Poke, AR New York ETO, DPZ and Talent). It includes the Publicis Dialog network, established in 44 countries, and Publicis Modem (dedicated to digital offerings), present in 40 countries, so as to present clients with a holistic offer.

  Its global expertise offer includes advertising, interactive communications and digital marketing (Publicis Modem) expanded in 2014 with a global consulting agency specializing in technology (Nurun), CRM and direct marketing (Publicis Dialog);
- **Leo Burnett:** based in Chicago, the network has a presence in 84 countries around the world. It also owns the international network Arc Worldwide for marketing services, which focuses primarily on direct and interactive marketing and sales promotion. Leo Burnett also owns other agencies and independent advertising entities, generally more local or regional, with a well-specified target (because of their specific structure and creative styles) to respond to the particular needs of some clients;
- **Saatchi & Saatchi:** based in New York, this network of 130 agencies is present in 70 countries on five continents. It mainly includes the agencies Saatchi & Saatchi (including the agencies Team One and Conill in the United States), as well as the network Saatchi & Saatchi X, a specialist in point of sale marketing (shopper marketing). Saatchi & Saatchi S, a network created in 2008 after the acquisition of Act Now, is a sustainable development consultancy of renowned expertise in the United States, which gives clients expert advice on, and a solid understanding of, the major issues concerning sustainable development at the economic, social and environmental level; "SSF" brings together the agencies Saatchi & Saatchi and Fallon. The latter, based in Minneapolis, operates from regional platforms in London and Tokyo;
- **Bartle Bogle Hegarty (BBH):** active in six countries, this London-based flagship network operates regional platforms in Mumbai, New York, Sao Paulo, Shanghai and Singapore.

MEDIA AGENCIES AND DIGITAL AGENCIES

Publicis' media services include helping clients ensure the most effective media are used for their communications campaigns and buying on their behalf the most suitable advertising space (conventional or digital media). The digital business is growing significantly. These integrated networks of strategy experts, investment experts, creators and digital technology specialists are critical to the building of brands. Business operations are structured around three independent entities, which manage media advice and purchasing:

Starcom MediaVest Group, based in Chicago, operates 130 agencies in 78 countries, with a strong presence in the United States. SMG developed a product and technology strategy that revolves around advertisers' growth and the creation of products together with partners in three priority areas: digital platforms, content and data analysis. SMG launched or developed many new generation partnerships including with Twitter, comScore, Yahoo !, Google, Turner, ShareThis, Acxiom, The Weather Channel in the UK and Videology in Australia.

ZenithOptimedia, based in London, operates 250 agencies in 74 countries around the world and has a strong presence in the UK, the US, Germany, France and Spain; Performics, an agency specializing in understanding internet users' behavior in order to target and interact with them more effectively, also forms part of the Company. In 2013, ZenithOptimedia unveiled a major global partnership with Google to facilitate the use of mobile phones in media communications. The network also launched an important international program with Google to help the network's clients define a sustainable online video strategy for their media communications. In 25 years, ZenithOptimedia has become the third largest network in the world.

VivaKi, operating in 43 countries, helps Publicis Groupe agencies define and identify potential targets, as well as set up dynamic interactions and data exchange to optimize customer-consumer relations. VivaKi's mission consists primarily in preserving the ecosystem of digital media and put together partners and technologies in innovative contexts to create new consumer engagement models.

The Group also remains active in its original business, essentially in France: the sale of advertising time and/or space in newspapers, cinema, billboards and radio, carried out by Médias & Régies Europe.

Médias & Régies Europe includes the Media Transport entities, like Métrobus (billboard/poster advertising in France), Media Gare, Media Rail and Mediavision (cinema, mainly in France).

The following services are provided:

- **Media advice/Media planning:** using computer software and data analysis related to consumer behavior and analysis of different media audiences 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 client's budget;

- **Media buying: purchase** of all advertising space (radio, television, billboards, press, Internet and cell phones) on behalf of an advertiser as part of an agreed media plan, using the Group's experience and buying power to obtain the most favorable rates and terms and conditions for our clients. Publicis Groupe is the second global group for its media activities, while being in first place in the United States and second place in China.

DigitasLBi, an international digital marketing and technology agency active in 26 countries, advises companies facing the challenges of the digital age, helps them define the next steps for moving forward and assists them in their choices. Phonevalley, its subsidiary, enjoys international recognition in the mobile marketing field. DigitasLBi regularly generates industry innovations, including Marketing Cloud, a digital marketing solutions module and a creative alliance with Google, a first in the United States.

Razorfish Global, an agency present in nine countries and a global leader specializing in technology and interactive marketing, assists clients in managing change and market transformations, guiding them towards the future. Razorfish has signed various partnerships including a major one with Adobe. 2014 saw the formation of Razorfish Global which brought together Razorfish, Rosetta and Nurun's assets.

Rosetta, a digital agency focused on consumer commitment is active in two countries and supports the most innovative brands in developing programs, platforms and integrated marketing products. It is a recognized international leader in e-commerce. A leading technological innovator, the agency launched a proprietary extension to Adobe Experience Manager which connects to IBM Websphere Commerce, a customizable and scalable solution that helps marketing and IT departments optimize their sales and content ecosystem. In 2014, Rosetta was combined with Razorfish to create Razorfish Global.

SPECIALIZED AGENCIES

These are networks or agencies that offer a set of techniques and specialties which can be deployed to complement or replace traditional advertising within a given communications campaign, or to provide a communications medium 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.

MSLGROUP, active in 22 countries, is the group responsible for the communications and strategic commitments of Publicis Groupe, a consultant operating across the communication strategy chain: from consumer relations to financial reporting, from public relations to image management and from event management to crisis communications.

Publicis Healthcare Communications Group, with operations in 11 countries and with a major presence in the United States, is a world leader in communications in the areas of healthcare and well-being. PHCG includes some flagship brands such as Digitas Health (DH), Publicis Health Media (PHM) specializing in media for the healthcare and well-being sector, which created a holistic model by combining its expertise with the Group's media networks, and in-sync Consumer Insight which brings in a deep knowledge of patients, healthcare professionals and payer organizations, providing strong differentiation.

Prodigious designs and delivers branded content for all channels with the most advanced tools and processes. Prodigious has 20 sites worldwide and includes WAM, Publicis Groupe's video production and broadcast company, and Bosz Digital, a digital production platform located in Central America. Publicis Groupe's production business, Prodigious can provide its agencies and clients state-of-the-art production means.

Specialized agencies offer, in particular, the following services:

- **Interactive Communication:** digital communication business activities are divided between VivaKi, the "all-digital" agencies such as DigitasLBi, Razorfish Global (comprising Rosetta and Nurun's assets), Big Fuel and Denuo, an agency specializing in new technology consulting and monitoring (Internet, video games, mobile telephones and iPods), on the one hand, and all the agencies integrated within the Group's various networks, on the other. By digital activities we primarily mean the creation of corporate or commercial websites and intranets, online direct marketing consulting, social network expertise, search engine optimization, internet ads (especially banners and pop-ups) and all forms of internet and mobile communication. The contribution of Sapient (acquired in early February 2015) combined with Publicis Groupe's know-how in the digital area, creativity, media and brand communication creates unparalleled expertise in marketing and sales across all distribution channels and consulting services based on outstanding technological prowess;
- **Direct marketing, CRM (Customer Relationship Management):** the aim is to create a direct relationship between a brand and a consumer (in contrast with traditional mass-market advertising) through a variety of methods (Internet, telephone, mail shots) and to develop customer loyalty. 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 services to determine the most effective means of interacting with consumers at points-of-sale, and marketing operations to increase sales either directly at points-of-sale, or indirectly through discount coupons, e-coupons and similar measures;

- **Healthcare communication:** this segment is concerned with the pharmaceutical industry, institutes, hospitals and insurance companies, as well as companies producing consumer goods aimed at health and well-being. It must reach healthcare professionals, public authorities and the general public. Healthcare communications encompass a wide range of services covering the entire lifecycle of a product: consulting prior to release on the market, communication tools (advertising, direct marketing, digital, and telemarketing), medical training, scientific communications, public relations, events management and hiring temporary sales staff.

Public relations activities, communications, corporate and financial communications and events communications that are regrouped within MSLGROUP:

- **Public Relations:** the aim of these operations or actions is to help clients with the management of their ongoing relationship with the press, specialized audiences and the general public on commercial or corporate topics, client identity, products or services and to develop an image that is coherent with their strategy. These services include (i) strategic consulting to help clients in their strategic positioning and finding market niches to stand out from their competitors, (ii) product and service launches or re-launches to reach out to consumers, (iii) media relations services to enhance brand image and recognition, (iv) copy-writing, (v) organizing events and networking sessions and (vi) creating corporate marketing material to reflect a client's strategy and messages;
- **Corporate and financial communication:** this encompasses all initiatives that allow customers to construct a company image or to communicate with interested parties, such as shareholders, employees, public authorities. In particular, it deals with financial communications (especially during initial public offerings – IPOs – or other financial transactions), in the context of stock market listings, disposals, proxy contests and similar matters. Publicis also provides communication and public relations services to help clients manage communication and public relations during crises as well as other major events;
- **Events Management:** planning and organizing corporate or commercial events (exhibitions, trade shows, conventions, meetings and opening ceremonies) aimed at projecting a corporate image consistent with the client's strategic objectives;
- **Multicultural or ethnic communication:** an area mainly limited to the American market; it consists of advertising and other communication techniques aimed at culturally specific groups, such as Hispanics and African-Americans.

Re:Sources: the Publicis Groupe Shared Service Centers cover most administrative functions necessary for the operation of all Group agencies; with a presence in all regions and in more than 50 markets, Re:Sources operates from a single platform accessible in each of the Group's main markets, works on continuous process improvement and helps with compliance with the articles of incorporation, local tax systems and Publicis Groupe's corporate policy.

From 2015, the Group's development will be highlighted by the acquisition of Sapient which will confirm our position as world leader in our sector in digital and also add two key areas of expertise for the future: consulting and technology.

PARENT COMPANY

Publicis Groupe SA is the Group's holding company. Its main purpose is to provide advisory services to Group companies. The central costs of consulting services rendered by the parent company and its specialized subsidiaries totaled approximately euro 50 million in 2014 (excluding subsidiary acquisition costs), spread out over all of the Group's operational companies according to the cost of services rendered. In addition, the parent company received dividends from subsidiaries amounting to euro 68 million in 2014 (euro 645 million in 2013).

Finally, the parent company carries most of the Group's medium-and long-term borrowings.

1.4.4 GROUP ASSETS

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. At December 31, 2014 it owned real estate assets with a net book value of euro 164 million. The Group's main property asset is its corporate headquarters located at 133, avenue des Champs-Élysées, in Paris, France. This seven-story building includes around 12,000 square meters office space occupied by Group companies, and 1,500 square meters of commercial space, occupied by Publicisdrugstore and two public movie theaters.

The main asset under a finance lease is the Leo Burnett office building located at 35 West Wacker Drive in Chicago, Illinois, United States, with a net recorded value of euro 51 million in the Group's consolidated financial statements as at December 31, 2014, and a gross value of euro 88 million as at the same date, depreciable over 30 years.

The Group owns major IT systems and hardware that are used in the creation and production of advertising, the management of media buying and administrative functions.

Since December 31, 2014 the Company has not planned any significant capital expenditures with respect to property, plant and equipment or intangible assets, other than investments made by the Group in the regular course of its business.

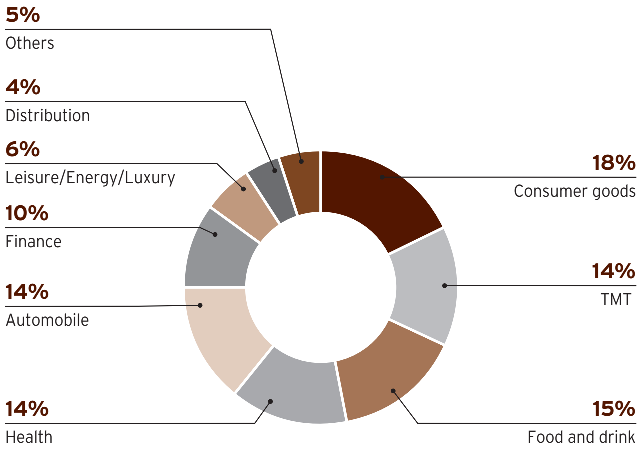
1.4.5 MAIN CLIENTS

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 or global industry leaders, with approximately half of its revenue generated by international clients, *i.e.* clients with operations in more than five countries. The top 30 clients represent 40% of the Group's consolidated revenue – see Section 4.6 "Notes to the consolidated financial statements" – Note 26. Payment terms are consistent with general market practices and the regulations in force in each of the countries in which the Group operates. Revenue from, and contracts with, different clients vary from year to year. Therefore, a significant share of Publicis Groupe's revenue comes from loyal clients that have been with the Company for years. On average, its retention rate of the biggest clients exceeds 40 years.

The main clients of the Group's major networks in 2014 are listed below:

- **Publicis Worldwide:** Abbott, AXA, BNP Paribas, Citigroup, Deutsche Telekom, FIAT Group, Orange, Groupe Carrefour, Hilton, L'Oréal, Nestlé, Philip Morris International, Procter & Gamble, Qantas, Renault, Rogers Communications, sanofi, Siemens, UBS, Wendy's;
- **Leo Burnett:** Allstate, BMW, Coca-Cola Company, Diageo, FIAT Group, Fifth Third Bank, General Motors, Intel, Kellogg's/Keebler, McDonald's, Nestlé, Pfizer, Philip Morris International, Procter & Gamble, Renault, SAB-Miller, Samsung, Sprint Nextel, TD Financial;
- **Saatchi & Saatchi:** Arby's, ABInbev, Commonwealth Bank, Deutsche Telekom, General-Mills, Honda, HR Block, HSBC, Mead Johnson, Mondelez, Novartis, Orange, Procter & Gamble, SAB Miller, Spark New Zealand Limited, Toyota, Visa, WalMart, Wendy's, Westpac;
- **BBH:** ABInBev, Barclay's, Britvic, Diageo, Dulux, Friesland Campina, International Airlines Group, Google, IKEA, Newell Rubbermaid, Perfetti, Production Partners, Sony, Telecom Italia, Unilever, Volkswagen, Virgin, Waitrose, Weetabix, Yum's Brand;
- **Starcom MediaVest Group:** Allstate, Bank of America, Best Buy, Coca-Cola Company, Comcast, Heineken, Honda, Johnson & Johnson, Kellogg's/Keebler, King.com, Kraft, Mars, Microsoft, Mondelez, Novartis, Procter & Gamble, Samsung, Sprint Nextel, Visa, Wal-Mart;
- **ZenithOptimedia:** Daimler, Deutsche Telekom, Ferrero, Fielmann Optical, 21st century Fox Group, Georgia Pacific, General-Mills, JP Morgan, Kohl's, Liberty Mutual, L'Oréal, LVMH, Nestlé, Oracle, Reckitt Benckiser, Richemont Groupe, sanofi, Telefonica, Toyota, Verizon;
- **Publicis Healthcare Communications Group:** Abbott Laboratories, Abbvie, Astellas, AstraZeneca, Biogen Idec, Boehringer, Bristol-Myers Squibb, Daiichi Sankyo, Genentech, Gilead Science, Merck & Co, Johnson & Johnson, Mylan, Novartis, Otsuka American Pharma, Pfizer, sanofi, Shire, Sunovion;
- **DigitasLBi:** American Express, Astra Zeneca, Comcast, Delta Airlines, Disney, Durex, eBay, General Motors, Goodyear, Hermès, Lenovo, Nissan, SAB-Miller, Sprint Nextel, Whirlpool, Yum !Brands;
- **Razorfish Global:** Apple, AT&T, Bridgestone, Citigroup, Daimler, Deutsche Telecom, EMC, Fastshop, Ford, Gouvernement du Québec, JP Morgan, Mc Donald's, Microsoft, Motorola, Purdue Pharma, Samsung, State Farm, TE Connectivity, United States Mint, Volkswagen.

In 2014, the Group's total revenue came from the following client business sectors:



On the basis of 2,098 clients representing 82% of the Group's total revenue.

The share of revenue by principal client sector is representative of the major economic players and the structure of the portfolio remains stable.

1.4.6 MAIN MARKETS

Global advertising expenditures are listed in regular reports by various forecasting agencies, such as ZenithOptimedia (Publicis Groupe), GroupM (WPP), Magna (Interpublic Group of Cos) and Nielsen. The forecast data published by these agencies reflect advertisers' media purchase intentions (advertising space). These estimates are expressed in billings (advertising purchases) and do not as such represent advertising agencies' potential revenue. A quarterly examination of these reports enables readers to assess the trend of the advertising market, even if the figures do not factor in a whole facet of advertising agencies' business activities (public relations, direct marketing, CRM, e-commerce and e-mobile, etc.).

BREAKDOWN OF GLOBAL ADVERTISING EXPENDITURE BY MAJOR GEOGRAPHIC REGION*

(in millions of dollars)	2013 actual	as a %	2014 estimated	as a %	2015 forecast	as a %	Breakdown of Publicis Groupe's 2014 revenue as a %
North America	178,908	36%	187,166	36%	194,203	36%	48%
Europe	127,790	26%	130,568	25%	134,690	25%	31%
Asia Pacific	137,472	28%	145.925	28%	155,245	28%	12%
Latin America	34,891	7%	39,439	8%	43,203	8%	6%
Africa & Middle East	15,518	3%	16,760	3%	18,093	3%	3%
TOTAL	**494,579**	**100%**	**519,858**	**100%**	**545,434**	**100%**	**100%**

* *Source: ZenithOptimedia – December 2014.*

THE TEN LARGEST COUNTRIES IN THE GLOBAL ADVERTISING MARKET

In 2014, compared with the top ten global advertising markets, the top ten markets of Publicis Groupe were as follows:

	Top ten global advertising markets 2014*		Publicis Groupe 2014 ranking
1	United States	**1**	United States
2	China	**2**	France
3	Japan	**3**	United Kingdom
4	Germany	**4**	China
5	United Kingdom	**5**	Germany
6	Brazil	**6**	Brazil
7	France	**7**	Canada
8	Australia	**8**	Australia
9	South Korea	**9**	Italia
10	Canada	**10**	United Arab Emirates

* *Source: ZenithOptimedia Publicis Groupe.*

1.4.7 SEASONALITY

Clients' advertising and communications expenditure fluctuates, often in response to actual or expected changes in consumer spending. Because consumer spending in many of the Group's markets is typically lower at the beginning of the year, following holidays, and in July and August, the most popular vacation months in Europe and North America, advertising and communication expenditures are lower during these periods as well. As a result, advertising and communication expenditure is not as high during these periods. Historically, the Group's revenue is often higher in the second and fourth quarters of the year than in the first and third quarters.

1.4.8 COMPETITION

Since 2009, the Group has been ranked in third place among global ranking of communications groups (by revenue, source: other companies' annual reports).

See the table below for the published earnings of the top four groups in 2014:

	Omnicom (US GAAP) (in millions)	WPP (IFRS) (in millions)	Interpublic (US GAAP) (in millions)	Publicis Groupe (IFRS) (in millions)
Figures published in local currency	USD 15,318	GBP 11,529	USD 7,537	EUR 7,255
Figures published in dollars	USD 15,318	USD 18,975*	USD 7,537	USD 9,625*

* *2014 average exchange rates: $1 = €0.75376, £1 = €1.24056.*

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

Publicis Groupe also competes with a number of local, independent advertising agencies in markets around the world, via its Specialized Agencies and Marketing Services.

Advertising and communications markets are generally highly competitive, and Publicis is in constant competition for business with national and international agencies. The Group expects that competition will continue to stiffen as multinational advertisers increasingly consolidate their budgets among a dwindling number of agencies.

1.4.9 GOVERNMENTAL REGULATIONS

The Group's business is subject to government regulation in France, the US 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 the media company and the client or the advertising agency are French or located in France.

Many countries have strict laws governing the advertising and marketing of certain products, in particular tobacco, alcohol, pharmaceuticals and foodstuffs. New regulations or standards imposed on the advertising or marketing of such products could have an adverse impact on the Group's operations.

1.5 Investments

1.5.1 MAIN INVESTMENTS DURING THE PAST THREE YEARS

Changes in technology, consumer behavior, the economy of businesses and their marketing, require considerable changes including investing in talent, technologies and new resources to continue to meet the needs of our clients. Our investments will focus on talents in order 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 of change and anticipate the changes and evolution of the communications industry.

In 2012, Publicis Groupe aligned its targeted acquisitions with its development strategy in the digital sector and high-growth countries.

In January 2012, the Group announced its acquisition of Mediagong, a French digital agency specialized in digital strategy consulting, social media, advergaming and mobile advertising.

On January 26, Publicis Groupe tabled a friendly public tender offer for Pixelpark, Germany's largest independent digital communications group. The German Federal Cartel Office approved the acquisition of Pixelpark on February 15, 2012. The Group owns nearly 78% of Pixelpark shares.

Also in January, the Group acquired The Creative Factory in Russia in order to facilitate the expansion of Saatchi & Saatchi in that country. Based in Moscow, The Creative Factory has a big reputation in its specialist fields, *i.e.* marketing, digital services, digital production and video.

In February, Publicis Groupe acquired U-Link Business Solutions Co. Ltd, one of the leading Chinese agencies specialized in healthcare communications, and in March, it acquired King Harvests and Luminous, two specialized marketing agencies based in China and Singapore. Meanwhile, the Group also announced its acquisition of Flip Media, one of the major digital agency networks in the Middle East. This full-service network is positioned throughout the digital chain, offering services ranging from strategy, digital design and production, to content and technological platforms.

In April, the Group acquired Indigo Consulting, a Mumbai-based end-to-end agency handling website design and development, SEO, website studies and testing, online marketing, mobile advertising and social media advertising. Indigo Consulting will strengthen the Leo Burnett network in India.

In May, the Group completed the acquisition of Longtuo, a Beijing-based digital marketing agency with a refined expertise in design, client acquisition, and marketing and e-commerce measurement solutions. Longtuo has become part of the Razorfish network and will be named Razorfish Longtuo China.

In June, Publicis Groupe cemented its place as a major player in Israel when it acquired BBR Group, one of the largest communication groups in the Levant. BBR is a network of creative agencies offering a range of services in creation, brand identity, media, digital services and design.

Publicis Groupe became the first communications group to establish itself in Palestine when it purchased a stake in ZOOM Advertising, a member of the Massar group based in Ramallah. Zoom was founded in 2004 and quickly established itself as the leading agency in the Palestinian communications industry, providing sophisticated digital and interactive tools.

In July, Publicis Groupe purchased the remaining 51% of shares in Bartle Bogle Hegarty (BBH) to become its sole owner. The acquisition included the Brazilian agency NEOGAMA/BBH.

Also in July, the Group announced its acquisition of CNC, a strategic consulting and communications agency network based in Germany, with offices in the United Kingdom, India and Japan.

In August, the Group acquired Resultrix, an international digital agency formed in 2008. Resultrix has a proven expertise in performance marketing and is present in India, Singapore, the UAE and the United States.

In the beginning of October, the Group acquired Arachnid, a Malaysian digital agency known for its creativity. Founded in Kuala Lumpur in 1996, Arachnid currently employs over 60 digital communication professionals. The agency offers and develops services in 25 countries.

Publicis Groupe made the following acquisitions during the course of December: AR New York, one of the best-known American advertising agencies, specialized in luxury goods, fashion and beauty communications; iStrat and Market Gate, two Indian agencies specialized in digital integration and strategic consulting and marketing, respectively; OUTSIDE LINE, one of the five largest independent digital agencies in the United Kingdom, specialized in social media and experiential marketing; Monterosa, an international mobile marketing and communications agency based in Sweden; and lastly, Rokkan Media LLC, a multi-service digital agency based in New York. Rokkan combines e-commerce, loyalty programs, digital marketing, mobile technology and social media.

In total, these acquisitions come to seven in Asia, five in Europe, three in the United States, three in the Middle East and one in Russia, with nearly all of the agencies enjoying a solid reputation for their digital operations.

On September 20, Publicis signed a provisional agreement regarding a public tender offer for a 100% stake in LBi.

On November 12, Publicis Groupe officially launched its public cash tender offer at euro 2.85 per share cum dividends, with an acceptance period from November 13, 2012 to January 15, 2013.

LBi International N.V. is the largest European independent marketing and technology agency, combining strategic, creative, media and technical expertise to create long-term added value for its clients. Based in Amsterdam and listed on the Amsterdam Stock Exchange, it currently employs over 2,200 people across 16 countries. As a marketing and technology agency, LBi offers services to brands (clients) in order to help them connect with their customers through digital channels across all points of contact: from initial brand awareness, to direct interaction with the brand's products and services, to a continuous relationship with the brand. LBi offers a series of services designed to help clients attract, retain and manage their customers more effectively. Its complete range of services combines expertise in analytics, direct marketing and digital advertising. LBi's technical know-how enables it to develop major innovative ideas in the digital universe, build and manage online sales websites, develop CRM programs, purchase advertising space and handle media programming and public relations for leading companies.

Overall, these acquisitions represent estimated additional revenue of euro 280 million on a full-year basis, which demonstrates the Group's external growth momentum in 2012.

These transactions are in line with Publicis Groupe's strategic decision to boost its position in high-growth countries, and to consolidate its ranking as a global group that is a leader in the digital communications sector.

Total acquisition costs for entities integrated during 2012 (gross payments, before acquired cash) come to euro 435 million. In addition, euro 45 million was paid out in earn-outs and euro 30 million to buy out non-controlling interests.

In 2012, the Group repurchased 18 million of its own shares from Dentsu for euro 644 million, outside of the repurchases governed by its liquidity contract.

Just like previous years, **2013** was a very active one in terms of acquisitions.

On January 15, 2013, Publicis Groupe made its public tender offer for all issued and outstanding LBi shares, which had been launched on November 12, 2012, unconditional on the close of the acceptance period. After January 29, 2013, Publicis Groupe owned 98.13% of the issued and outstanding LBi shares. Following the delisting on March 7, 2013, Publicis Groupe launched a squeeze-out procedure to buy-out the remaining shares not owned by the Group. On February 5, Publicis Groupe announced the merger of the Digitas integrated global network with the LBi digital marketing and technology network acquired by Publicis Groupe in January following its successful public tender offer. The resulting entity, called DigitasLBi, thus forms a global leading digital communications network.

On March 11, Publicis Groupe announced the acquisition of Convonix, one of India's leading digital marketing consulting firms based in Mumbai.

On April 18, the Group signed an agreement to acquire Neev, one of India's leading technology service providers.

Founded in 2005 and based in Bangalore, Neev currently employs 250 new technology specialists, over 220 of which are technologists, with expertise in promoting the innovations developed by the teams that drive their success. It has filed a certain number of patents in cloud and mobility. Neev serves a list of prominent brands and technology companies mainly in India and the US.

On July 2, the Group announced the acquisition of Bosz Digital SA, Costa Rica, and of Bosz Digital Colombia SAS, a major platform for media and digital production based in Central America. It had worked closely with the top digital teams within Publicis Groupe over the past number of years. It has a total of 450 employees, who provide sophisticated development and production services primarily for websites, software, interactive graphics creation, social networks and mobile.

On July 10, the acquisition of Net@lk, one of the most prominent pure players in China's social media market, was announced.

Net@lk, based in Shanghai, specializes in influence marketing and brand development on social networks. The agency has four divisions: Net@lk and Simone offering social media services, Lenx being devoted to social content and Buzzreader offering social media monitoring, with in particular the monitoring, searching and analysis of most Chinese social media platforms including Weibo, Renren, Youku, Taobao and WeChat.

On July 15, Publicis Groupe publicly announced the Group's very first direct investment in a mobile technology start-up. The Group invested USD 15 million in Jana, an international company specialized in mobile technology. Based in Boston, Jana has developed the world's largest rewards platform in emerging markets such as Brazil, India, Indonesia and Nigeria.

On August 14, Publicis Groupe announced the acquisition of Engauge Marketing LLC, an advertising and digital services agency based in Columbus, Ohio. Engauge is a full service agency with a burgeoning social marketing practice, serving over 30 clients including Nationwide Insurance, Cisco Systems and The Coca-Cola Company. In addition to its headquarters in Colombus (Ohio), the agency has offices in Atlanta (Georgia), Orlando (Florida) and Pittsburgh (Pennsylvania). It employs over 250 people.

On August 29, the Group announced the acquisition of a majority stake in Espalhe, one of Brazil's leading social media and digital marketing agencies, recognized for its expertise and its capabilities in integrating digital, social networks, PR and event management, and other disciplines. Founded in 2003, it has become a leading agency in Brazil and currently employs more than 90 staff across its offices in Sao Paulo and Rio de Janeiro.

On September 5, Publicis Groupe announced the outright acquisition of TPM Communications, a leading Canadian provider of digital, video and event services. This acquisition strengthens the Group's digital offering in the Canadian market.

Founded in 1980, a pioneer of the latest technologies, TPM Communications, which is based in Toronto, has a team of 35 experts. The agency is specialized in three fields: interactive media (websites, e-commerce, online marketing, online advertising, social networks, mobile applications, Flash applications); events and video, from podcast to broadcast.

Publicis Groupe's acquisition of Zenith Romania was completed on September 12. This acquisition will see ZenithOptimedia, Publicis Groupe's media network, take majority control of Zenith Romania, which was previously an affiliate.

Zenith is a leading media communications agency in Romania. Founded in 2000, the agency offers a full range of specialist media services, including media buying, planning, communications strategy, digital, research and ROI evaluation.

Also in September, Publicis Groupe announced the acquisition of POKE, a leading digital agency in the UK, founded in 2001, from its four founding shareholders and Mother Holdings Ltd. POKE's expertise covers a whole range of areas including service design, user experience, digital architecture, e-commerce, social, mobile and product development.

In early October, the Group signed the final agreement to increase its stake to 51% in its long-term Romanian partner agencies Leo Burnett & Target, Starcom MediaVest Group, Optimedia, The Practice and iLeo.

On October 22, Publicis Groupe acquired Beehive Communications, one of India's foremost independent integrated communications agencies specializing in cutting edge marketing and communications services for clients across South Asia.

Founded in 2003, Beehive Communications has over 130 employees providing integrated solutions, and specializing in creation, reputation management, media, digital, brand activation and research. Based in Mumbai, the agency also has a presence in Delhi and Bangalore.

At end-October, the Group acquired Interactive Solutions, a leading digital agency in Poland. Founded in 2004, Interactive Solutions has over 160 employees in Poznan and Warsaw. The agency specializes in developing complex e-marketing strategies empowered by technology and with a focus on ROI for a range of international and local clients.

Once again at end-October, Publicis Groupe announced the merger of Heartbeat Ideas, one of the most highly regarded digital agencies in healthcare communications, and the Saatchi & Saatchi healthcare network in the United States, to form a wholly new market player with unmatched strength and depth.

Founded in 1998, Heartbeat employs a team of 90 employees between its offices in New York and Santa Monica, California. Heartbeat Ideas and Heartbeat West are full-service agencies, and both share a commitment to unconfined ideas and innovation in the healthcare space.

On November 7, Publicis Groupe announced the acquisition of ETO, a leading agency in CRM, based in Lille and Paris. Founded in 1985, ETO now has 220 employees specializing in helping brands develop long-term profitable relationships with their clients through CRM, digital marketing and data management technologies. The agency is particularly strong in data analysis, processing and mining, areas in which it has over one hundred employees.

On November 28, the Group acquired 75.1% of Walker Media in the UK, with M&C Saatchi retaining a 24.9% stake. Walker Media currently has over 130 employees. It is one of the top ten media agencies in the UK. It will remain a separate agency in the UK and will be a cornerstone of a new global media network launched by ZenithOptimedia Group in early 2014.

On December 3, Publicis Groupe acquired Synergize, a South African digital marketing company. Founded in 1999, Synergize is one of only a few Google Analytics accredited agencies in Africa and the Middle East. Synergize offers services in SEO, online marketing, web design, CMS development, mobile, PPC, analytics, copywriting and social media.

Finally, on December 12, Publicis Groupe completed the acquisition of Verilogue Inc., a leading healthcare analytics firm, specializing in physician-patient communication. Founded in 2006, Verilogue is a technology-enabled marketing insights company specializing in worldwide digital capture and linguistic analysis of real-world encounters between physicians, nurses, patients and care-givers in North America, Europe and Asia.

Total acquisition costs for entities integrated during 2013 (gross payments, before acquired cash) came to euro 512 million. In addition, euro 190 million was paid out in earn-outs and euro 102 million to buy out non-controlling interests.

In 2013, aside from the purchases made under the liquidity contract, the Group bought back close to 3.9 million treasury shares, still held by Dentsu, for a total price of euro 181 million.

2014 acquisitions were devoted to targeted investments in line with the Group's growth strategy. Virtually all of these acquisitions were aimed at enhancing the Group's expertise in areas undergoing constant change: social networks, social media, online content, real-time data analysis, e-commerce, digital solutions applied to marketing or multi-channel programs. The largest deal of the year was undoubtedly the planned acquisition of Sapient, a unique company in its ability to combine business, marketing and technology in an ever-changing technological environment at an accelerated pace.

On January 10, 2014, Publicis Groupe acquired Qorvis Communications, one of the leading public relations firms in the United States. It became part of MSLGROUP, Publicis Groupe's strategic communication and PR network. Founded in 2000 by Michael Petruzzello, Managing Partner, Qorvis has over 80 professionals based in Washington, DC. Primarily specializing in public affairs, Qorvis also enjoys strong social media and digital resources, and offers integrated services. Qorvis will therefore considerably strengthen the presence of MSLGROUP in this US region.

On January 21, the Group acquired Applied Media Logic (AML), one of the leading media agencies in South Africa, to be integrated into the ZenithOptimedia network. Launched in 2002 and based in Johannesburg, AML has a team of 25 professionals. Considered one of the top ten South African media agencies, AML's main customers include L'Oréal, Reckitt Benckiser, FutureLife, Frank.net, House of Mandela, Fedhealth and Nashua.

On January 30, Publicis Groupe announced the acquisition of a majority interest in Law & Kenneth, the largest independent Indian advertising and digital agency, to be integrated into Saatchi & Saatchi India. Founded in 2004 by Praveen Kenneth and Andy Law, with Anita Roddick from The Body Shop as investor and co-founder, Law & Kenneth employs over 285 professionals. Having become a full-service agency, specializing in traditional and digital advertising, branding and marketing, it has a broad range of local and international clients.

On February 25, Publicis Groupe acquired Lighthouse Digital, the South African market leader, specializing in digital media. The agency will be integrated into Starcom MediaVest Group (SMG) in South Africa. A pioneer in social media analysis tools, Lighthouse is the first African agency to offer its customers secure, real-time online reporting. The agency also specializes in media planning, media buying and keyword research through the use of automated bid management tools. Founded in 2009 by Aaron van Schaik and Steven Waidelich, Lighthouse has become the largest digital agency in Africa. Based in Johannesburg and Cape Town, it has a team of 30 professionals in digital media.

On March 6, the Group acquired Hawkeye, a leading digital marketing agency specializing in data analysis, digital strategy, CRM and experiential marketing. The Dallas-based agency will be integrated into Publicis North-America and the Publicis Publicis Worldwide network. It offers a range of integrated digital marketing services such as data management and analysis, website design and development, and mobile and social marketing.

On April 8, the Group acquired OwenKessel, one of the top creative agencies in South Africa, based in Johannesburg, which counts 80 professionals and offers a full range of services including consulting, design, online marketing, social media and branded content.

On May 9, Publicis Groupe SA and Omnicom Group Inc. jointly announced the end of their planned merger of equals by mutual agreement. The two companies have mutually disclaimed any and all liability and no compensation was paid to either side. This decision was unanimously approved by the Management Board and the Supervisory Board of Publicis Groupe and the Board of Directors of Omnicom Group. In addition, decisions voted by Oranes holders during the October 10, 2013 Extraordinary General Shareholders' Meeting are, due to the merger falling through, now void. Nonetheless, on September 16, 2014, the Group announced its intention to submit to the appropriate General Meetings a draft for the early redemption of these Oranes.

On June 12, the Group announced the sale of its stake in the French agency Royalties. The Group, a majority shareholder since 2008, agreed to sell its 60% interest to the founding members.

On June 26, Publicis Groupe announced the creation of ROAR, a New York-based entity that brought together the best talent and expertise of the Group's digital resources. ROAR was designed to serve JP Morgan Chase. Its success may cause it to expand its services to other partners.

On July 1, Publicis Groupe acquired Crown Partners in the US, an e-business specialist offering a comprehensive range of services to help develop e-commerce and online content.

On July 3, the Group acquired Salterbaxter, an international consulting firm. Based in the UK, the firm is recognized for its expertise in sustainable development strategy and communication.

On July 8, the Group acquired Cybermedia, the parent of Proximedia, based in Brussels and leader in Internet services to SMEs in Belgium and the Netherlands. With this acquisition, Publicis Groupe created a European leader in local digital communications while accelerating the expansion of Publicis Webformance.

On July 10, in Africa, Publicis Groupe acquired Prima Integrated Marketing (Prima), a South African digital agency, and an interest in AG Partners, a pan-African communication network. Both entities were integrated into Publicis Worldwide in Africa. On the same date, Publicis Groupe acquired Lead2Action, the top digital agency in Mexico, integrated into Publicis Mexico.

On September 2, Publicis Groupe announced the acquisition of Nurun, a global consulting agency specializing in technology and a subsidiary of Quebecor Media in Canada. Nurun's expertise, including innovation, integration and maintenance of information technology, covers the following areas: design research, digital products, service design, transaction platforms, user interfaces and post-PC ecosystems. In line with its strategic plan through 2018 which is based on its digital and technological leadership, on November 17 Publicis Groupe announced the integration of Nurun's professionals and expertise into two of its networks: Razorfish Global and Publicis Worldwide.

On September 8, the Group acquired Turner Duckworth, a brand design and strategy agency in the US which joined Leo Burnett.

On September 26, Publicis Groupe acquired Zweimaleins GmbH, a major business-to-business (B2B) integrated marketing agency based in Berlin. The agency was integrated into Saatchi & Saatchi Berlin to form Saatchi & Saatchi Pro.

On September 30, the Group acquired Ambito5, a top Italian agency specialized in social media.

On October 8, 2010, Publicis Groupe acquired three major South African agencies covering a wide range of expertise: BrandsRock, an experiential marketing leader, Liquorice, one of the top digital marketing agencies in the country, and MACHINE, an integrated agency that has received multiple awards.

On October 10, following its agreement with Adobe, Publicis Groupe announced the acquisition of 3 | SHARE. Based in San Diego, 3|SHARE is an Adobe Solutions specialist and partner of "Business Plus Level Solution" and has become a North American leader in the implementation of digital solutions applied to marketing.

On October 13, Publicis Groupe entered into a strategic partnership with Matomy Media Group Ltd., the world leader in performance-based digital communications with headquarters in Tel Aviv, and acquired a 20% stake in Matomy at the price of 227 pence per share. The Group was also granted an irrevocable option to purchase an additional 4.9% of Matomy shares. Matomy is a global leader in performance-based digital communications, one of the most complex digital marketing techniques that requires a deep understanding of consumer behavior and online shopping activities in the digital era.

On October 28, Publicis Groupe announced the acquisition of RUN, a multi-channel programmatic buying and real-time data analysis platform. RUN's outstanding mobile capabilities enable marketers to execute data-driven campaigns. Through its mobile-focused advanced data management platform (DMP), RUN collects, compares and analyzes various consumer data derived from multiple sources, including mobile phone operators and Internet service providers (ISPs).

On October 30, Publicis Groupe carried out the acquistion of Monkees, a key French agency specializing in digital marketing and social media. With 15 years of experience, Monkees has developed a unique expertise which is particularly strong in distribution and e-publishing.

On November 3, Publicis Groupe and Sapient announced the signing of a definitive agreement for the acquisition of Sapient by Publicis Groupe at dollar 25 per Sapient share (equal to a total price of USD 3.5 billion), payable in cash. This agreement was unanimously approved by the Management Board and the Supervisory Board of Publicis Groupe and the Board of Directors of Sapient. Sapient is a unique technology-driven company with demonstrated expertise in communications, marketing, omni-channel commerce and consulting. This expertise is critical to helping the Group's customers manage their transformation imposed by digital. This acquisition was finalized in February 2015.

On December 11, Publicis Groupe announced the acquisition of Relevant24 (R24), a leading agency specializing in the creation of original multimedia content to help make brands relevant. Based in Boston (Massachusetts), R24 has 23 employees that use real-time client data to produce original content daily. It joined Starcom MediaVest Group.

Total acquisition costs for entities integrated during 2014 (gross payments, before acquired cash) came to euro 308 million. In addition, euro 103 million was paid out in earn-outs and euro 76 million to buy out non-controlling interests.

The Group did not buy back any of its own shares in 2014, except for those shares bought under the liquidity contract.

1.5.2 MAIN ONGOING INVESTMENTS

On February 4, 2015, the acquisition of Sapient obtained all the regulatory approvals and the public offering was completed on February 6, 2015.

1.5.3 MAIN FUTURE INVESTMENTS

The decisive impact of technology on society, the behavior of consumers who are becoming more savvy, the proliferation of communication channels, the increasing weight of omni-channel commerce and one-on-one marketing lead to a change in marketing and communication techniques in order to adapt to the new environment. This adaptation is imperative to help companies interact with increasingly informed consumers.

At the forefront of this revolution, Publicis Groupe will nevertheless pursue its investments in digital advertising, top talent and new technologies. These future investments build on and extend past investments as part of a deliberate strategy to be the Company most adept at creating value for its clients, employees and shareholders by benefiting from the most robust combinations of creativity, database science and technology.

The acquisition of Sapient was finalized in 2015. The effects of these major acquisitions will be clear in the 2015 accounts and all of their ramifications will be detailed in the next annual reports.

Lastly, as at December 31, 2014 the Group also had commitments of euro 322 million under price-adjustment clauses and of euro 83 million for minority interest buyouts, a total of euro 405 million, euro 179 million of which is due within less than one year.

1.6 Significant contracts

On November 3, 2014, the Company entered into a definitive agreement for the acquisition of Sapient by Publicis Groupe, in the form of a public cash tender offer for all of the outstanding Sapient shares. The completion of this tender offer was subject to certain conditions precedent, including obtaining regulatory approvals, among others from competition authorities in the US and Germany, which were met. The transaction was finalized on February 6, 2015.

With the exception of what is described in this chapter, the Company did not enter into any other major agreements during the fiscal year ended December 31, 2014.

1.7 Research and development

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. Furthermore, 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 1.3 to the consolidated financial statements in Section 4.6 of this document.

- For **Publicis**: Ignition, Ignition Day Workshops, Brand 16, Android / iOS Mobile SDK Toolkit, Nurun Design Process, Talkmaster and Publicis Insider, tools that can be activated within the framework of the Lead the Change, Brand Optimization and Brand Aesthetic methodology.
- For **Leo Burnett**: BrandProspectR Segmentation, Behavioral ArchetypesSM, BrandPersonaSM Archetypes, What If? Mapping, InnerviewSM Motivation Analytics, Risk Reward Model of Advertising Effects, HumanKind Purpose Workshop, The Decision DNASM, Acts Lift, ChatCastSM Web, Mining, ChatCastSM Companion Survey, HumanKind QuotientSM, BrandStockT Equity Metrics, Cultural Fuel, Pinpoint Quick Quant, Red and Blue America, BrandShelterSM Recession, Analytics, The Forgotten Senior, Freaks and Geeks vs. The 'In' Crowd, The Luxury Profiler, PeopleShop, MobileShop, SocialShop, Behavioural Currents, Being Human, Maximizing Innovation by Leveraging 9 Styles, Modern Masculinity, and The Sharing Economy: Where We Go From Here, Idea Spot, Trend, Trek, Behaviour Trek, Foresight Lab, Innovation Lab: T-96, Innovation Lab: Pressure Cooking, Design, Ultimate Consumer Lab, Focus Group 2.0, Sherlock Holmes Recruiting, eConduit Suite of Tools, BrandTrac, QuickPredict, Return ePanel.
- For **Saatchi & Saatchi**: Contentizer, Strategic Toolkit, Sisomo, Xploring, the Story Brief, Inside Lovemarks (in association with QiQ), Lovemarks Connector Kit (including the Lovemarks practices: Discovery, Exploration, Inspiration, Attraction et Evaluation), Saatchi & Saatchi Ideas SuperStore, as well as Publicis Ideas IQ Protocol (developed by Saatchi & Saatchi for Publicis Groupe), Saatchi & Saatchi X, Shopper Cycle, Saatchi & Saatchi S, Star Mapping, Ten Cycle Star Mapping, Global Affluent Tribe and Lasting Marks.
- For **Fallon Worldwide**: Brand-Tube.
- For **BBH**: BBH Analytical Toolkit and BBH Knowledge & Insight and BBH Performance Dashboard.
- For **MSLGROUP**: FreeThinking, People's Lab, e-Reputation Scorecard, Story Stream Lab, Corporate Brand e-ambassadors, Social Business Navigator, Fem'Insight and Fem'Connect.

In media consulting:

- **ZenithOptimedia** has developed and used several research tools, methodologies and research analyticsincluding: Catalyst, Frequency Planner, Consumer Profiler, Market Priorization Planner, Multi-Copy Planner, Multi-Media Calculator, ROI Modeler, Seasonality Planner, Wizard TV Planner, ZEAL, Zone, Social Tools, Global Analytics Center (Glance), Innovations Database, SEO Watch, SocialTools, Touchpoints ROI Tracker, Video Allocator, Spot Map, Live, Liquid Insights, Most Valuable Consumer, Content Audit, Benchtools, TV Analyzer, Adforecast.com, Ninah Market Mix Modeling (MMM), Ninah Marketing PlanLan (MPL), Ninah Multi-touch Attribution (MTA), Live Knowledge Center, Media 1440 and Value Tracker. Suite and Customer Resource Center.
- **Starcom MediaVest** uses, among others, Tardiis, Tardiis Fusion, Innovest, Media Pathways, Digital Pathways, Pathfinder, Contact Destinations, Intent Tracker/Modeler, Connections Stories, Captivation Blueprint, Map, Beyond Demographics, Media in Motion (patent pending), Budget Allocator, Budget Calculator, Pearl, Ace, Brain Conquest, CVT (client targeting), SPACE ID, Truth Maps, Idea vet and Ideaweb, The Mic, Pulse, Webreader, Surveillance, KPI Engine, BARometer, StarcomEQ, Starcom IQ, Soundwave, Titan, SMBI, EIC, Starprofiler, The Street MAD, Balance TV, .Poem, Benchtools, AOD, MaxxReach, Beacon and ESQ, Connected Intelligence, Community Igniter, Linkd.3, Contagion, Echo Listening, Echo Measurement, Echo Activation, Experience Creation Framework, Catalyst, Content Scale, SMG's PACE panel, Yangtze, GEMS, smgOS and Convergence Analytics.
- **DigitasLBi** markets, among others, Media Futures Desk, Multi-Model Attribution, BrandLive, CONX, MDK, Polino Map, LookOut, People Pulse, Early Warning, Pathematix, the Dashboard, The Port, Marketing Cloud, RepNation, Site Core Toolbox, CQ Toolbox, EPi Base, Earned Media Planning, Lens, IDIOM, Spindrift Site Builder, Momentum and Hypermedia API to its clients.

- **Performics** uses the following methodologies, tools and recherch analytics for its clients: Planalytics, Dynamic Persona Development, Searcher Journey Analysis, Benchtools, Socialtools (in partnership with Zenith), Social Influence on Search Audit, PFX Forecasting & Planning Tool, PFX Opportunity Matrix, Paid Search Strategic Audit, Paid Search Campaign Architecture Methodology, OneSearch Learning & Measurement Framework, Search Governance Model (SGM), Microtargeting, Hyperflighting, PFX LinkWheel, 4 SEO Pillars, SEO Deliverable Framework, Link Portfolio Audit Tool, Local SEO 3 Pillar Methodology, Mobile Experience Optimization Audit, TV-to-Search Methodology, Online/Offline Measurement, Advanced Copy Testing, GLANCE Data Management & Business Intelligence Platform (in partnership with Zenith), Cross-Channel Reporting, Account Monitoring Suite, Budget Tracker, Program Management Suite and Customer Resource Center, Pegasus, Performance Content, Community, and Forum Boost.
- **Razorfish** markets to its clients: Fluent, RIAx, RTS Live, CookieCutter, RankSource, Market Mapper, SEO Source, Segmenter, Site Optimization, Skymanager (UK), Razorfish 5D, Razorfish Mobile Framework, CloudServe, VisualCloud, Rosetta Connector, et Rosetta's In-Store Customer Engagement (ICE) Platform.
- **VivaKi** uses the following platforms, products and programs: Audience On Demand (AOD) Solutions Suite, MEDIA DMP, Quality Index, Amplif.r, AOD Platform, VivaKi Verified, DSP Configurator, SkySkraper, Benchtools, Headroom (CPA) Analysis Tool, Performance Optimization Tool, Audience (Segmentation) Analysis, Partnerships, and Perpetual Beta.

Lastly, within **Prodigious, Market Forward** designs, develops and propose BrandVault (Digital Asset Management), Brandtracker, BrandApproval and BrandReport (Digital Workflow); online solutions enabling production teams and their clients – agencies and brands – to collaborate more effectively, by harmonizing processes while contributing towards controlling operating costs.

1.8 Risk factors

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

1.8.1 FACTORS SPECIFIC TO THE ADVERTISING AND COMMUNICATIONS INDUSTRY

UNFAVORABLE ECONOMIC CONDITIONS MAY ADVERSELY AFFECT THE GROUP'S OPERATIONS

The advertising and communications industry may experience periodic slumps caused by downturns in the general economy. As previous years have shown, this industry is sensitive to variations in advertisers' businesses and reductions in their marketing investments. Economic downturns can have a more severe impact on the advertising and communications industry than on other sectors, in part because many companies often respond to a slowdown in economic activity by reducing their communications budgets in order to meet their earnings goals. In addition, it may be difficult or even impossible to collect outstanding fees receivable from bankrupt or insolvent customers. For this reason, the Group's business prospects, financial position 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.

The Group's presence in geographically diversified markets makes it less sensitive to adverse economic conditions in a given market. In addition, the Group chose to make its expansion in emerging countries and in the digital advertising market a priority from 2006 onwards. This judicious choice, which has been validated by the transformation of the market and the changing requirements of our clients, has enabled us to maintain, and even improve, the relevance of our offering, while standing up well to competitive pressure.

Working together with senior management and the Group's Finance Department, the operating management teams, the Group's networks are continuing to pay particularly close attention to their cost structures and are adopting action plans to maintain their profitability levels.

THE GROUP OPERATES IN AN EXTREMELY 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 players such as systems integrators, database design and management specialists, telemarketing and web-based companies now have access to technical solutions that respond to clients' specific marketing and communications needs. The Group must compete with these companies and agencies in order to maintain existing client relationships and to win new clients and accounts. Increased competition could have a negative impact on the Group's revenue and earnings.

The high staff turnover rate that has historically been seen in the communications sector (between 25% and 30%) enables adverse economic conditions to be absorbed more flexibly and easily in the event of a downturn in the market.

Working together with the Group's senior management, the networks' operating management teams monitor the market and competitors on an ongoing basis. The Group's strategy, focusing on digital technology and meeting the constantly evolving needs of its clients, has allowed it to hold and strengthen its competitive position.

PUBLICIS' CONTRACTS MAY BE TERMINATED BY ITS CLIENTS ON SHORT NOTICE

Advertisers are free to terminate their contracts with their communications agencies, at any time or at the end of the contract, after a relatively short notice period of three to six months, in general. Moreover, the Group's contracts with its clients are under constant threat from rival competitive bids. Advertisers also tend to progressively cut down on the number of communications agencies they work with and to allocate their marketing budgets among a few leading agencies. 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 deal with this risk, significant existing contracts are monitored on a regular basis at the operating management and Group level, which enables us to make sure that customers are satisfied, and to anticipate the risk of a contract being terminated.

A SIGNIFICANT PERCENTAGE OF PUBLICIS' REVENUE IS GENERATED BY A SMALL NUMBER OF LARGE ADVERTISERS

The Group's top 5, 10, 30 and 100 clients accounted in 2014 for 17%, 24%, 40% and 59% of the Group's consolidated revenue, respectively (see also Section 4.6 "Notes to the Consolidated Financial Statements", Note 26 "Market risk management"). One or several large clients may, at any time and for any reason, decide either to switch advertising and communications agencies or to 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 Section 1.4.5 of this Registration Document for a list of the primary clients of the Group's major networks in 2014. The Group has a diversified client portfolio representative of the global economy, including many clients that are global or national leaders in their industries. Revenue from, and contracts with, different clients vary from year to year. Therefore, a significant share of Publicis Groupe's revenue comes from loyal clients that have been with the Company for years. On average, its retention rate of the ten biggest clients is 45 years.

CONFLICTS OF INTEREST BETWEEN PUBLICIS' CLIENTS COMPETING WITHIN THE SAME BUSINESS SECTOR MAY NEGATIVELY IMPACT ITS GROWTH

The ability of the Group or one of its networks to obtain a new client may at times be hindered by its partnership with a competitor or by an exclusivity clause in an existing client contract. The Group does its best to avoid these types of commitments, and relies on its numerous networks to limit the situations in which such conflicts of interest may arise. Such conflicts of interest may nonetheless arise, with potentially negative consequences for the Group's growth prospects, results and revenue.

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 IS HEAVILY DEPENDENT 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 key managers or 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 new key personnel, or if it were unable to retain and motivate its existing key personnel, its prospects, business, earnings and financial position could be adversely affected.

In conjunction with the Group's Human Resources Department, the networks' Human Resources Departments identify key staff, offer them incentives and include them in the Group's long-term profit-sharing schemes to retain their loyalty.

The Group's 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.

1.8.2 REGULATORY AND LEGAL 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, regulators and consumer groups often prohibit or restrict the advertising of certain products and services, or regulate certain operations conducted by the Group (such as the *loi Sapin* in France, which prohibits agencies from buying advertising space for resale to their clients, and regulations that restrict alcohol and tobacco advertising in most countries). The imposition of such restrictions may harm the Group's operations and results and expose it to the risk of judicial proceedings, especially by consumer groups, regulators and public authorities.

In order to limit this risk, and to ensure that its advertising campaigns comply with regulations, the Group has implemented, in its main markets, legal clearance procedures carried out by the Legal Department, whose role is to provide support to the creative teams as they develop these campaigns.

PUBLICIS MAY BE EXPOSED TO LIABILITIES IF ANY OF ITS CLIENTS' ADVERTISING CLAIMS ARE FOUND TO BE FALSE, DECEPTIVE OR MISLEADING, OR IF ITS CLIENTS' PRODUCTS ARE DEFECTIVE

Publicis may be named as defendant or co-defendant in litigation brought against its clients by third parties, its clients' competitors, governmental or regulatory authorities, or a consumer association. These actions could, in particular, relate to the following complaints:

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

The potential damages and expenses, as well as the legal fees arising from any of these claims could harm the Group's prospects, business, results and financial position were it not adequately insured against such risks or indemnified by its clients. In any event, Publicis' reputation could be negatively affected by such allegations.

In conjunction with senior management, the Legal Department keeps a watchful eye on the changes in risks associated with significant litigation. 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 position or profitability of the Company and/or the Group.

See also Note 20 and Note 1.3 to the consolidated financial statements (Section 4.6), with respect to provisions for litigation and claims.

1.8.3 RISKS ASSOCIATED WITH MERGERS AND ACQUISITIONS

PUBLICIS' STRATEGY OF DEVELOPMENT THROUGH ACQUISITIONS AND MINORITY INVESTMENTS MAY CREATE RISKS

Part of the Group's strategy hinges on enriching its range of advertising and communication services and increasing its operations in high-growth markets. 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 there is always the possibility of misjudging the risks of any given acquisition or investment. Sellers may also at times fail to divulge certain risks. The changing and unpredictable regulatory frameworks of certain emerging markets (see Section 1.8.4 below) and certain local practices in these regions are another source of acquisitions risk. 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 fail to generate the synergies or other benefits that were expected. Such cases could have negative consequences for the Group's earnings.

A description of the Group's main acquisitions during 2014 appears in Section 1.5.1 "Main investments during the past three years". See also Note 2 (Section 4.6) to the consolidated financial statement "Variation in the scope of consolidation".

The Group makes its acquisitions according to a formal and centralized process led by senior management, with the assistance mostly of the Mergers and Acquisitions Department, the Financial Department, the Legal Department, the Human Resources Department and the networks' operational and financial divisions.

The network divisions are chiefly responsible for integrating the acquired entities under the oversight of senior management, in particular for major acquisitions. For the acquisition of Sapient, a multi-function integration committee under the responsibility of the Group Management Board was set up to ensure the rapid integration of Sapient into the Group and to facilitate the achievement of synergies and other expected benefits. The Finance Department conducts a regular acquisitions performance assessment in conjunction with senior management; this assessment is then presented to the Audit Committee and Supervisory Board.

GOODWILL AND INTANGIBLE ASSETS, INCLUDING BRANDS AND CLIENT RELATIONSHIPS, RECORDED ON THE GROUP'S STATEMENT OF FINANCIAL POSITION FOR ACQUIRED COMPANIES MAY BE SUBJECT TO IMPAIRMENT

Publicis has recorded a significant amount of goodwill on its statement of financial position. Given the nature of its business, the Group's most important assets are intangible, and are accounted for as such. Each year the Group carries out an evaluation of goodwill and intangible assets so as to determine whether these need to be depreciated. The hypotheses made in order to estimate the earnings and the provisional cash flow in the course of these reevaluations cannot be confirmed by subsequent real earnings. If the Group were to carry out any such depreciation, the loss could have an adverse effect on the Group's earnings and financial position.

Analysis of goodwill and intangible assets carried on the Group's statement of financial position is detailed in Notes 10 and 11 to the consolidated financial statements (Section 4.6).

1.8.4 RISKS ASSOCIATED WITH 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 risk, restrictions on taking money out of the country and late 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 or retroactively applied. It is therefore always difficult to determine the exact requirements of these laws and regulations, or to fully understand their application. Non compliance – actual or alleged – with applicable laws in developing countries could have a negative impact on Publicis' prospects, business, earnings, and financial position.

Working with the Group's senior management, the management of the Group's networks continually analyzes the Group's exposure to risks related to its business in politically or economically unstable countries. The Group has moreover put internal monitoring systems in place to ensure its operations comply with local legislation and minimize the risks of violations, especially where anti-corruption laws are concerned.

Revenue from emerging economies represented 23.7% of the Group's total revenue in 2014.

See Note 27 to the consolidated financial statements (Section 4.6) for a geographical breakdown of the Group's revenue for 2012, 2013 and 2014.

1.8.5 FINANCIAL RISKS

EXPOSURE TO LIQUIDITY RISK

In order to manage its liquidity risk, Publicis holds a substantial amount of cash (cash and cash equivalents) for a total of euro 3,158 million as at December 31, 2014 and undrawn confirmed credit lines representing a total of euro 3,473 million as at December 31, 2014. The two main components of these lines are a multi-currency syndicated facility in the amount of euro 1,200 million, expiring in 2016, and a credit facility of USD 1,890 million set up in late 2014 as part of the acquisition of Sapient. The Group refinanced its syndicated credit facility of USD 1,890 million expiring in January 2016 and intended to finance the acquisition of Sapient by taking a syndicated medium-term loan in the amount of dollars 1,600 million, which was concluded on January 20, 2015 and matures in 2018, 2019 and 2020.

These immediately available or almost immediately available amounts allow the Group to pay its financial debt maturing in less than one year.

The Group's treasury management arrangements are described in Section 3.4.3 of this document.

None of the Group's bonds or other debt is subject to financial covenants.

See also Note 22 to the consolidated financial statements (Section 4.6).

A CREDIT RATING DOWNGRADE COULD ADVERSELY AFFECT PUBLICIS' FINANCIAL POSITION

Since 2005, Publicis Groupe SA has been publicly rated. Its rating has remained unchanged, at BBB+ from Standard & Poor's and Baa2 from Moody's Investors Service. A rating downgrade by either of these agencies could adversely affect the Group's ability to raise funds and result in higher interest rates for future borrowings.

See also Section 3.4.3 of this document.

EXPOSURE TO MARKET RISK

Note 26 to the consolidated financial statements in Section 4.6 of this document describes exposure to the following risks:

- exchange rate and interest rate risks;
- client counterparty risk;
- bank counterparty risk.

These risks are monitored by the Group's Finance Department in close liaison with senior management.

1.8.6 INSURANCE AND RISK COVERAGE

The Company's policy regarding insurance is 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.

Coverage of insurable risks is achieved through complementary centralized and local insurance programs.

The insurance programs are subject of regular tender offers, both on a local and global basis, which enables the Group to benefit from the latest guarantee extensions and from optimized insurance premiums.

CENTRALIZED PROGRAMS

These are insurance programs with an international scope, such as professional liability, directors and officers liability and employment practices liability. 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 business interruption insurance, general liability, automobile liability, and employer's liability insurance.

The Group has also extended health, life and disability insurance cover to all staff working outside of their native countries, to complement local programs. This program also covers the assistance and repatriation of the employee and his/her family when necessary.

LOCAL PROGRAMS

These are insurance policies for general and employer's liability, property damage and business interruption, and automobile liability. These policies are entered into locally in order to comply with local practices and regulations and to manage related risks.

The Group is working to standardize health and personal risk insurance coverage in each country with the development of shared service centers.

POLICIES TAKEN OUT

The overall amount is:

- damage to property and business interruption: up to USD 250 million;
- civil liability: from USD 25 to 170 million, 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 policies are arranged through brokers with major international insurance companies such as AIG, XL, ACE and Liberty Mutual. All the insurers chosen by the Group have a minimum S&P rating of A-.

Non-life-insurance premiums came to approximately euro 19 million worldwide in 2014.

2

GOVERNANCE AND COMPENSATION

2.1 Governance of Publicis Groupe

Publicis Groupe and the Chairperson of the Supervisory Board place great importance on the quality of the Group's governance and on compliance with the rules and principles governing its business activities.

Publicis has always taken an innovative approach to its governance: since 1987, the Group has had a dual governance system with both a Management and Supervisory Boards, in the belief that this would ensure a better balance of powers for the benefit of all stakeholders. Going further than any legal requirements, more than half of the Supervisory Board is composed of female members. The quality of the Board's work is guaranteed by the strong commitment of its members and made easier by the work of four committees: a Compensation Committee, separate from the Appointments Committee, and a Risk and Strategies Committee, separate from the Audit Committee. In September 2014, the new Management Board was appointed and the "Management Board +" was established, with a view to preparing a new generation for the Management of the Group.

2.1.1 SUPERVISORY BOARD (*CONSEIL DE SURVEILLANCE*) AND MANAGEMENT BOARD (*DIRECTOIRE*)

The Company is a French joint-stock limited liability company *(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.

2.1.1.1 COMPOSITION OF THE SUPERVISORY BOARD AS OF DECEMBER 31, 2014

ÉLISABETH BADINTER	**CHAIRPERSON OF THE SUPERVISORY BOARD** **CHAIRPERSON OF THE APPOINTMENTS COMMITTEE** **MEMBER OF THE STRATEGY AND RISK COMMITTEE**
Born on March 5, 1944, French National First appointment: November 27, 1987 End of term of office: June 30, 2018 Publicis Groupe SA 133, avenue des Champs-Élysées 75008 Paris France	**Other offices and positions held within the Group** **Chairperson of the Supervisory Board**: Médias & Régies Europe SA (France) **Main offices and positions held outside the Group** **Writer** **Chairperson** of the Fondation Marcel Bleustein-Blanchet pour la Vocation **Offices and positions held outside the Group in the last five years** Position listed above
SOPHIE DULAC	**VICE-CHAIRPERSON OF THE SUPERVISORY BOARD**
Born on December 26, 1957, French National First appointment: June 25, 1998 End of term of office: June 30, 2016 Les Écrans 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 Écrans de Paris SAS (France) **Manager**: Sophie Dulac Productions SARL (France), Sophie Dulac Distributions SARL (France) **Vice-Chairperson of the Board of Directors**: CIM de Montmartre SA **Chairperson**: Association Champs-Élysées Film Festival **Offices and positions held outside the Group in the last five years** Positions listed above
SIMON BADINTER	**MEMBER OF THE SUPERVISORY BOARD**
Born on June 23, 1968, French National First appointment: June 17, 1999 End of term of office: June 30, 2016 Publicis Groupe SA 133, avenue des Champs-Élysées 75008 Paris France	**Other offices and positions held within the Group** **Permanent representative of Médias & Régies** Europe on the Supervisory Board of: Mediavision et Jean Mineur SA (France) **Main offices and positions held outside the Group** Presenter of "The Simon Rendez-Vous" radio show (United States) CEO Simbad Productions (United States) **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, French National First appointment: June 3, 2008 End of term of office: June 30, 2018 Publicis Groupe SA 133, avenue des Champs-Élysées 75008 Paris France	**Other offices and positions held within the Group** None **Main offices and positions held outside the Group** **Director**: Gévelot SA, listed company (France), P. C. M. SA (France), Gévelot Extrusion SA (France), Gurtner SA (France) **Chairman and Chief Executive Officer**: Société Immobilière du Boisdormant SA (France) **Deputy Chief Executive Officer**: Rosclodan SA (France), Sopofam SA (France) **Manager**: SCI Presbourg Etoile (France) **Offices and positions held outside the Group in the last five years** Positions listed above
JEAN CHAREST	**MEMBER OF THE SUPERVISORY BOARD**
Born on June 24, 1958, Canadian National First appointment: May 29, 2013 End of term of office: June 30, 2017 McCarthy Tétrault Bureau 2500 1000, rue de la Gauchetière Ouest Montreal Quebec H3B 0A2 Canada	**Other offices and positions held within the Group** None **Main offices and positions held outside the Group** **Partner**: Cabinet McCarthy Tétrault (Canada) **Chairman of the Board of Directors**: Windiga Energie (Canada) **Chairman of the Board of Governors**: L'Idée Fédérale (Canada) **Chairman of the steering Committee**: Partnership for Resource Trade (Canada) **National co-Chairman and spokesperson**: Mouvement Canada 2017 Redonner (Canada) **Member of the Advisory Board**: Woodrow Wilson Center – Canada Institute (Canada) **Member of the panel of experts**: Canada's Public Policy Forum (Canada) **Member** of the Canadian group of the Trilateral Commission (Canada) **Adviser**: Canada's Ecofiscal Commission (Canada) **Offices and positions held outside the Group in the last five years** Positions listed above, as well as the following positions: **Prime Minister** of Quebec (Canada) (term expired in September 2012) **Deputy** for Sherbrooke (Canada) (term expired in September 2012)

MICHEL CICUREL	MEMBER OF THE SUPERVISORY BOARD MEMBER OF THE COMPENSATION COMMITTEE MEMBER OF THE APPOINTMENTS COMMITTEE
Born on September 5, 1947, French National First appointment: June 17, 1999 End of term of office: June 30, 2016 Michel Cicurel Conseil 46, rue Pierre Charron 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 Maison (Luxembourg) **Chairman of the Board of Directors**: Banque Leonardo SA (France) **Vice-Chairperson of the Board of Directors**: Coe-Rexecode (Association) **Director, Chairman of the Accounts Committee and Member of the corporate-officers Compensation Committee**: Bouygues Telecom SA (France) **Director, Member of the Compensation Committee and Member of the Appointments and Corporate Governance Committee**: Société Générale SA, listed company (France) **Director and Chairman of the Investment Committee**: DF Synergies SA - Cogepa (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 Management Board**: La Compagnie Financière Edmond de Rothschild Banque SA (France) (term expired in May 2012), Compagnie Financière Saint-Honoré SA (France) (term expired in May 2012) **Chairman of the Board of Directors**: Edmond de Rothschild SIM SpA (Italy) (term expired in April 2011), ERS SA (France) (term expired in May 2012), Edmond de Rothschild Investment Services Limited (Israel) (term expired in April 2012), Edmond de Rothschild SGR Spa (Italy) (term expired in April 2012) **Chairperson of the Supervisory Board**: Edmond de Rothschild Corporate Finance SAS (France) (term expired in May 2012) **Vice-Chairperson of the Supervisory Board**: Edmond de Rothschild Private Equity Partners SAS (France) (term expired in May 2012) **Member of the Supervisory Board**: Newstone Courtage SA (France) (term expired in December 2011), SIACI Saint Honoré SA (France) (term expired in May 2012), Milestone SAS (France) (term expired in May 2012) **Director**: Banque Privée Edmond de Rothschild SA (Switzerland) (term expired in May 2012), Edmond de Rothschild Limited (United Kingdom) (term expired in May 2012) **Permanent representative of La Compagnie Financière Edmond de Rothschild Banque - Chairman of the Board**: Edmond de Rothschild Asset Management SAS (France) (term expired in May 2012) **Permanent representative of La Compagnie Financière Edmond de Rothschild Banque in:** EDRIM Solutions (France) (term expired in May 2012) **Permanent representative of Compagnie Financière Saint-Honoré** in Cogifrance SA (France) (term expired in May 2012) **Observer** of Paris-Orléans SA, listed company (France)
MARIE-JOSÉE KRAVIS	**MEMBER OF THE SUPERVISORY BOARD CHAIRPERSON OF THE STRATEGY AND RISK COMMITTEE**
Born on September 11, 1949, US National First appointment: June 1, 2010 End of term of office: June 30, 2016 625 Park Avenue New York, NY 10065 USA	**Other offices and positions held within the Group** None **Main offices and positions held outside the Group** **Chairperson**: Museum of Modern Art (United States) **Senior Fellow**: Hudson Institute (United States) **Member of the Board of Directors**: Hudson Institute (United States), Overseers, Memorial Sloan-Kettering Cancer Center (United States), Qatar Museum Authority (Qatar) **Member of the International Advisory Committee**: The Federal Reserve Bank of New York **Journalist** **Offices and positions held outside the Group in the last five years** Positions listed above and the following positions: **Member of the Board of Directors**: LVMH Moët Hennessy Louis Vuitton SA, listed company (France), Robin Hood Foundation (United States)

MARIE-CLAUDE MAYER	MEMBER OF THE SUPERVISORY BOARD MEMBER OF THE STRATEGY AND RISK COMMITTEE
Born on October 7, 1947, French National First appointment: June 1, 2010 End of term of office: June 30, 2016 Publicis Groupe SA 133, avenue des Champs-Élysées 75008 Paris France	**Other offices and positions held within the Group** **Senior Vice-President**: Publicis Conseil SA (France) **Representative of Multi Market Services France Holdings** on the Shareholders' Committee of Wefcos SAS (France) **Director**: VivaKi Communications (France) **Member of the Management Committee**: Étoile Restauration SAS (France) **Main offices and positions held outside the Group** None **Offices and positions held outside the Group in the last five years** None
VÉRONIQUE MORALI	**MEMBER OF THE SUPERVISORY BOARD MEMBER OF THE COMPENSATION COMMITTEE MEMBER OF THE STRATEGY AND RISK COMMITTEE**
Born on September 12, 1958, French National First appointment: June 1, 2010 End of term of office: June 30, 2016 Webedia 3, avenue Hoche 75008 Paris France	**Other offices and positions held within the Group** **Representative of Multi Market Services France Holdings** on the Shareholders' Committee of Wefcos SAS (France) **Main offices and positions held outside the Group** **Chairperson of the Management Board**: Webedia SA (France) **Chairperson**: Fimalac Développement (Luxembourg) **Director and Vice-Chairperson**: Fitch Group, Inc. (United States) **Director**: Coca-Cola Entreprise Inc., listed company (United States), Fitch, Inc. (United States), Financière Allociné SA (France) **Director and Member of the Compensation Committee**: Alcatel-Lucent (France) **Director and Member of the Audit Committee**: Edmond de Rothschild Holding SA (Switzerland) **Member of the Supervisory Board, Member of the Audit Committee and Member of the Compensation Committee**: Edmond de Rothschild France SA (formerly Compagnie Financière Edmond de Rothschild Banque SA) (France) **Member of the Supervisory Board and Member of the Audit Committee:** Edmond de Rothschild SA (formerly Compagnie Financière Saint-Honoré SA) (France) **Founding Chairperson of the Association**: Force Femmes, Terrafemina (France) **Member of the government-owned entity**: la Réunion des musées nationaux et du Grand Palais des Champs-Élysées (Rmn Gp) **Manager**: Fimalac Services Financiers (non-commercial company), Fimalac Tech Info (non-commercial company) **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** of investissements d'avenir **Member** of the Observatoire de la parité entre les femmes et les hommes (Observatory on gender equality) **Director**: Havas (France) (term expired in 2010), Fimalac SA, listed company (France) (term expired in 2014), Groupe Lucien Barrière SAS (France) (term expired in 2014) **Chairperson of the Commission** on economic dialogue (Medef) (term expired in 2010) **Founder and Chairperson**: TF Co (formerly Femmes Associées SAS) (France) (term expired in December 2013) **Member of the Elle business foundation** (term expired in 2014) **Member of the association**: Le Siècle (term expired in 2014)

HÉLÈNE PLOIX	**MEMBER OF THE SUPERVISORY BOARD** **MEMBER OF THE AUDIT COMMITTEE** **MEMBER OF THE STRATEGY AND RISK COMMITTEE**
Born on September 25, 1944, French National First appointment: June 25, 1998 End of term of office: June 30, 2016 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), FSH Conseil SAS (France), Sogama Crédit Associatif (France) **Director**: Lafarge SA, listed company (France), Ferring SA (Switzerland), Sofina, listed company (Belgium), Genesis Emerging Markets Fund Limited, listed company (Guernsey) **Permanent representative of Pechel Industries Partenaires**: Store Electronic Systems, listed company (France) **Manager**: Hélène Ploix SARL (France), Hélène Marie Joseph SARL (France), Sorepe société civile (France) **Offices and positions held outside the Group in the last five years** Positions listed above, as well as the following positions: **Director**: Completel Europe NV (Netherlands) (term expired in 2010), BNP Paribas SA, listed company (France) (term expired in May 2014) **Permanent representative of Pechel Industries Partenaires**: Ypso Holding SA (Luxembourg) (term expired in 2013), Laboratoires Goëmar (term expired in 2012), Goëmar Développement (term expired in 2012) **Manager**: Goëmar Holding (Luxembourg) (term expired in March 2014)
AMAURY DE SEZE	**MEMBER OF THE SUPERVISORY BOARD** **CHAIRMAN OF THE COMPENSATION COMMITTEE**
Born on May 7, 1946, French National First appointment: June 25, 1998 End of term of office: June 30, 2016 GBL 24, avenue Marnix B 1000 Brussels Belgium	**Other offices and positions held within the Group** None **Main offices and positions held outside the Group** **Vice-Chairman**: Corporation Financière Power du Canada Ltd, listed company (Canada) **Chairperson of the Supervisory Board**: PAI Partners (France) **Director**: Carrefour SA, listed company (France), Imerys*, listed company (France), BW Group, listed company (Singapore), GBL SA*, listed company (Belgium), Pargesa Holdings SA*, listed company (Switzerland), RM2 International SA, listed company (United Kingdom) **Offices and positions held outside the Group in the last five years** Positions listed above, as well as the following positions: **Chairman of the Board of Directors:** Carrefour SA, listed company (France) (term expired in 2011) **Director:** Erbe SA (Belgium), Suez Environnement, listed company (France) (term expired in 2014), Thales SA, listed company (France) (term expired in 2013)
HENRI-CALIXTE SUAUDEAU	**MEMBER OF THE SUPERVISORY BOARD** **MEMBER OF THE APPOINTMENTS COMMITTEE**
Born on February 4, 1936, French National First appointment: November 27, 1987 End of term of office: June 30, 2018 Publicis Groupe SA 133, avenue des Champs-Élysées 75008 Paris France	**Other offices and positions held within the Group** **Director**: Publicis Conseil SA **Main offices and positions held outside the Group** None **Offices and positions held outside the Group in the last five years** **Director**: Fondation Marcel Bleustein-Blanchet pour la Vocation (term expired in June 2014)
GÉRARD WORMS	**MEMBER OF THE SUPERVISORY BOARD** **CHAIRMAN OF THE AUDIT COMMITTEE** **MEMBER OF THE APPOINTMENTS COMMITTEE**
Born on August 1, 1936, French National First appointment: June 25, 1998 End of term of office: June 30, 2016 Rothschild & Cie Banque 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 **Observer**: SIACI Saint-Honoré SA (France) **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**: Métropole Télévision SA, listed company (France) (term expired in 2014) **Director**: Mercapital SA (Italy) (term expired in 2011), Cofide SA, listed company (Italy), Éditions Atlas SA (France) (term expired in 2012), Moonscoop (term expired in 2012), Hamac (term expired in 2012) **Observer**: Degrémont SA (France) (term expired in 2012) **Chairman**: chaîne thématique Histoire SA

* *Subsidiaires of Corporation Financière Power du Canada Ltd.*

2.1.1.2 COMPOSITION OF THE MANAGEMENT BOARD AS OF DECEMBER 31, 2014

MAURICE LÉVY	CHAIRMAN OF THE MANAGEMENT BOARD
Born on February 18, 1942, French National First appointment: November 27, 1987 End of term of office: September 14, 2018 Publicis Groupe SA 133, avenue des Champs-Élysées 75008 Paris France	**Other offices and positions held within the Group** **Member of the Executive Committee (P12)**: Publicis Groupe SA **Member of the Supervisory Board**: Médias & Régies Europe SA (France) **Director**: MMS USA Holdings, Inc. (United States), ZenithOptimedia Group Limited (United Kingdom), MMS USA Investments, Inc. (United States), BBH Holdings Ltd (United Kingdom), Jana Mobile, Inc. (United States) **Management Board Member**: Publicis Groupe US Investments LLC (United States) **Offices held outside the Group** **Chairman of the Supervisory Board**: Iris Capital Management **Member of the Board of Directors**: Brain and Spine Insitute **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**: Compagnie Financière Edmond de Rothschild Banque SA (term expired in August 2013), Deutsche Bank AG (term expired in May 2012) **Board Member**: Foundation of the World Economic Forum Geneva (term of office expired in August 2013) **Chairman** of the Association Française des Entreprises Privées (AFEP) (term expired in June 2012) **Member of the Board of Directors**: Les Arts décoratifs (term of office expired March 2013), Amis du Musée du Quai Branly (term of office expired in June 2011)
JEAN-MICHEL ETIENNE	**MEMBER OF THE MANAGEMENT BOARD**
Born on November 2, 1951, French National First appointment: July 1, 2010 End of term of office: September 14, 2018 Publicis Groupe SA 133, avenue des Champs-Élysées 75008 Paris France	**Other offices and positions held within the Group** **Group Executive Vice-President, Group Finance**: Publicis Groupe SA **Member of the Executive Committee (P12)**: Publicis Groupe SA **Chairman and Chairman of the Executive Committee**: Multi Market Services France Holdings SAS (France) **Chairman and Chief Executive Officer**: Publicis Finance Services SAS (France) **Chairman**: MMS Mexico Holdings S de RL de CV (Mexico) **President and Director**: MMS Canada Holdings Inc. (Canada) (Canada), 8504741 Canada Inc. (Canada) **President of the Board of Directors**: MMS Italy Holdings S.r.l. (Italy), **Management Board Member**: Publicis Groupe US Investments LLC (United States) **Permanent representative of Multi Market Services France Holdings SAS** in Publicis Technology SA (France), VivaKi Performance SA (France), Phonevalley SA (France) **Director**: Multi Market Services Australia Holdings Pty Limited (Australia), PG Lion Re:sources Australia Pty Limited (Australia), Publicis Communication Pty Limited (Australia), Re:sources Mexico S.A de C.V (Mexico), Publicis Groupe Holdings BV (Netherlands), MMS Netherlands Holdings BV (Netherlands), Publicis Groupe Investments BV (Netherlands), Publicis Holdings BV (Netherlands), Saatchi & Saatchi Limited (United Kingdom), MMS UK Holdings Limited (United Kingdom), Lion Re:sources UK Limited (United Kingdom), Lion Re:sources Iberia S.L. (Spain), ZenithOptimedia International Limited, (United Kingdom), Saatchi & Saatchi Holdings Limited (United Kingdom), ZenithOptimedia Group Limited (United Kingdom), MMS USA Holdings, Inc. (United States), MMS USA Investments, Inc. (United States), Shanghai Ming Mong Song Commercial Consulting Co, Ltd (China), BBH Holdings Ltd (United Kingdom) **Joint Director**: Multi Market Services Spain Holdings, S.L (Spain) **Managing Director**: MMS Germany Holdings GmbH (Germany), Re:sources Germany GmbH (Germany) **Director, President & Treasurer**: US International Holding Company, Inc. (United States) **Main offices and positions held outside the Group** Member of the Board of Directors of ACTEO **Offices and positions held outside the Group in the last five years** Position listed above, as well as the following position: Member of the Management Board of Impress Packaging (term expired in 2010)

ANNE-GABRIELLE HEILBRONNER	MEMBER OF THE MANAGEMENT BOARD
Born on January 7, 1969, French National First appointment: September 15, 2014 End of term of office: September 14, 2018 Publicis Groupe SA 133, avenue des Champs-Élysées 75008 Paris France	**Other offices and positions held within the Group** **General secretary**: Publicis Groupe SA **Member of the Executive Committee (P12)**: Publicis Groupe SA **Chairperson:** Publicis Groupe Services SAS (France) **Member of the Executive Committee**: Multi Market Services France Holdings SAS (France) **Director**: Régie Publicitaire des Transports Parisiens Metrobus Publicité (France), Somupi (France) **Representative of Multi Market Services France Holdings on the Shareholders' Committee** of Wefcos SAS (France) **Director**: US Internationale Holding Company Inc. (United States), Publicis Groupe Investments BV (Netherlands), Publicis Groupe Holdings BV (Netherlands), Publicis Holdings BV (Netherlands), BBH Holdings Limited (United Kingdom) **President, Treasurer & Secretary**: 1926 Merger Sub, Inc. USA **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, New Zealand and British National First appointment: September 14, 2000 End of term of office: September 14, 2018 Saatchi & Saatchi 375, Hudson Street New York NY 10014-3620 USA	**Other offices and positions held within the Group** **Head Coach**: Publicis Groupe SA **Executive Chairman**: Saatchi & Saatchi Worldwide (United States) **Member of the Executive Committee (P12)**: Publicis Groupe SA **Director**: Fallon Group, Inc. (United States) DPZ - Duailibi Petit Zaragoza Propaganda Ltda (Brazil) **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) **Offices and positions held outside the Group in the last five years** Positions listed above, as well as the following positions: **Director**: NZ Edge.com Holding Limited (New Zealand) (term expired in 2013), Red Rose Music Limited (United Kingdom) (term expired in 2013), USA Rugby (United States) (term expired in June 2014) **Member of the Board of Directors**: NZ Telecom (New Zealand) (term expired in June 2014)

2.1.1.3 RESIGNATIONS AND APPOINTMENTS DURING 2014 AND IN EARLY 2015

The General Shareholders' Meeting of May 28, 2014 decided to renew the terms of office as members of the Supervisory Board of Claudine Bienaimé and Michel Halpérin, for a period of four years. Their terms will expire at the end of the Ordinary General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2017.

The Supervisory Board was saddened to lose one of its members with the death of Michel Halpérin on August 11, 2014.

Furthermore, the role of Jean-Yves Naouri as a member of the Management Board ended during the Supervisory Board meeting of September 15, 2014.

Following a motion by the Appointments Committee, the Supervisory Board appointed a new Management Board on September 15, 2014, comprising Maurice Lévy, Anne-Gabrielle Heilbronner, Kevin Roberts and Jean-Michel Etienne. The members of the Management Board are appointed for a period of four years expiring on September 14, 2018. However, the positions of Maurice Lévy and Kevin Roberts will come to an end during the General Shareholders' Meeting convened to approve the accounts for the fiscal year ended December 31, 2016.

During the March 2, 2015 Supervisory Board meeting Hélène Ploix, Gérard Worms and Henri-Calixte Suaudeau announced their resignation from the Supervisory Board with effect from the General Shareholders' Meeting in May 2015. The Board noted these resignations and expressed its thanks for their commitment during their terms of office. In line with the agreement signed during the acquisition of Sapient Corporation and on the advice of the Appointments Committee, the Board will put the appointment of Jerry A. Greenberg as a new Board member to the vote of shareholders during the May 27, 2015 General Shareholders' Meeting.

2.1.1.4 COMPOSITION OF THE MANAGEMENT AND SUPERVISORY BOARDS, INDEPENDENCE CRITERIA AND CONFLICTS OF INTEREST

The Supervisory Board had 13 members as of December 31, 2014; the list of which appears above (see Section 2.1.1.1). The rules pertaining to corporate governance and the independence criteria adopted by the Company for the members of the Supervisory Board are discussed in Sections 2.1.4 and 2.1.5.

To the best of the Company's knowledge, there are no existing family ties between the Supervisory/Management Board members, except between Élisabeth 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. However, Marie-Claude Mayer joined the Supervisory Board as an employee of Publicis Groupe. No Observer 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 convicted of fraud;
- no member of the Management Board or the Supervisory Board has been associated with a bankruptcy, or been subject to a sequestration or liquidation;
- no indictment and/or official public sanction has been pronounced against these people by statutory or regulatory authorities or professional organizations;
- no member of the Management Board or the Supervisory Board of Publicis Groupe has been banned by a court of law from acting as member of a corporate body, Management or Supervisory Board of a company issuing securities, nor from taking part in the management or business operations of an issuer.

The internal rules adopted by the Supervisory Board on November 27, 2012 confirmed the independence criteria that were first defined at the Supervisory Board Meeting on March 9, 2004. The Appointments Committee considered, during the November 2014 and then the February 2015 meetings, the independence of members of the Supervisory Board and confirmed the applicable independence criteria.

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:

- having not been an employee of the Company or a member of its Supervisory or Management Board, employee or director of the parent company or a consolidated company, during the last five years;
- having not been a corporate officer of a company in which the Company holds, directly or indirectly, a management position, or in which an employee designated as such or a corporate officer of the Company (currently or in the past five years) holds a management position;
- having not been a client, supplier, business banker or investment banker:
  - that is significant to the Company or its Group, or
  - for which the Company or its Group represents a significant part of its business;
- not having a close relative who is a Corporate Officer;
- having not been an auditor of the Company in the last five years.

In accordance with the principles of the Afep-Medef Corporate Governance Code, the Supervisory Board focused on the independence of its members and analyzed the criteria recommended by the Code to identify which ones it wished to use. The Board has chosen not to follow the criterion limiting the terms of Supervisory Board members to 12 years, believing that this limitation is not suitable for Supervisory Boards, whose role is fundamentally different from that of a Board of Directors, for which these criteria were defined.

The Supervisory Board is not responsible for the management of the Company, which falls to the Management Board alone, but for its direction and constant oversight. Because of this role, the Board decided that the concept of the length of the term of office has no effect on the independence, by its very nature, of the supervisory duties that the Board and its members perform.

It is important to remember that the Afep-Medef Corporate Governance Code was developed for companies governed by a Board of Directors and that the Code specifically states that companies with a Management Board and a Supervisory Board should make any necessary modifications.

Except as noted under 2.1.1.4 above and in Section 2.3, there are not, to the Company's knowledge, any family relationships between any of the members of the Company's Supervisory Board or Management Board, nor any potential conflicts of interest between the members of its Supervisory Board or Management Board. There is no undertaking or agreement concluded by the Company or its subsidiaries with members of its Supervisory Board or the Management Board of the Company providing for benefits to be paid upon termination of their functions, nor any other agreement concluded between the Company, its subsidiaries and these persons, other than those described in Sections 2.2 and 2.3. Except as may be described otherwise in Section 2.3, no appointment as member of the Supervisory Board or the Management Board has been made pursuant to an undertaking made to a major shareholder, client or a supplier of the Company.

2.1.2 THE "DIRECTOIRE +"

The "Directoire +", created in September 2014, is composed of Group executive managers and assists the Management Board with the Company's management.

The "Directoire +" comprises the following persons as at December 31, 2014:

- Laura Desmond, Global CEO, Starcom MediaVest Group;
- Steve King, CEO ZenithOptimedia Worldwide;
- Arthur Sadoun, CEO Publicis Worldwide;
- Rishad Tobaccowala, Chief Strategist, Publicis Groupe.

In February 2015, Alan J. Herrick, CEO and co-Chairman of Sapient's Board of Directors, and future CEO of the new Publicis.Sapient platform, became a member of the "Directoire +".

The "Directoire +" members are not Management Board members. They attend Management Board meetings when they are invited to do so and participate, in an advisory capacity only, in the Board's discussions and work. Consequently, they do not vote on Management Board decisions.

When they are invited to a Management Board meeting, they must ensure the strict confidentiality of all of the points discussed and the information obtained during these meetings.

The "Directoire +" members must preserve, in all circumstances, their independence of analysis and judgement; they must notify the Management Board of any situation involving a conflict of interest, direct or indirect, even potential, resulting from the other positions and responibilities which they have within the Group. If such a situation arises, they shall abstain from taking part in the Management Board's discussions and working on the matter concerned.

The designation of the new Management Board and the establishing of the "Directoire +" aim to prepare a new generation to take on the role of Management of the Group. It will be tasked with the smooth implementation of the changes required to optimize use of the Group's resources and transform the Group: a blend of talented individuals providing advertisers with strategic, creative and technological solutions to help them improve both their image and their growth in a world which is constantly changing due to technological innovation.

2.1.3 THE EXECUTIVE COMMITTEE ("P12")

The Group has an Executive Committee, "P12", which meets every month by teleconference to review the results and outlook for the different networks, and twice yearly face-to-face to discuss the Group's strategy and deal with some operational questions in depth.

The Executive Committee, chaired by Maurice Lévy, was made up of the following individuals as at December 31, 2014:

- Tom Adamski, CEO Razorfish Global;
- Tom Bernardin, Chairman and CEO, Leo Burnett Worldwide;
- Nick Colucci, Chairman and CEO, Publicis Healthcare Communications Group (PHCG);
- Laura Desmond, Global CEO, Starcom MediaVest Group;
- Axel Duroux, Executive Vice President, Emerging and Fast Growing Markets;
- Jean-Michel Etienne, Executive VP Finance, Publicis Groupe, member of the Management Board;
- Olivier Fleurot, CEO, MSLGROUP;
- Anne-Gabrielle Heilbronner, General Secretary, Publicis Groupe, Member of the Management Board;
- Steve King, CEO ZenithOptimedia Worldwide;
- Kevin Roberts, Head Coach at Publicis Groupe, Executive Chairman Saatchi & Saatchi/Fallon, member of the Management Board;
- Arthur Sadoun, CEO Publicis Worldwide;
- Robert Senior, worldwide CEO of Saatchi & Saatchi/Fallon;
- Luke Taylor, Global CEO DigitasLBi;
- Rishad Tobaccowala, Chief Strategist of Publicis Groupe;
- Mark Tutssel, Chief Creative Officer at Leo Burnett Worldwide;
- Jean-François Valent, CEO Prodigious;
- Frank Voris, CEO ReSources.

Monthly meetings in the form of teleconferences involving the heads of the different advertising networks and the Management Board members, and face-to-face meetings bringing together all P12 members.

During 2014, Jean-Yvres Naouri, Executive Vice-President and COO of Publicis Groupe, and member of the Management Board left P12 which in September, welcomed the following members, in addition to those who were already members: Tom Adamski, Axel Duroux, Robert Senior, Luke Taylor, Mark Tutssel and Jean-François Valent.

In February 2015, Alan Wexler, Chairman of SapientNitro and Chip Register, Executive Vice-Chairman & Managing Director of Sapient Global Markets joined the P12.

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;
- the 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 an on-going exchange of information allowing the implementation of collaboration efforts and common approaches regarding big clients and market developments.

2.1.4 OPERATION OF THE SUPERVISORY BOARD COMMITTEES

The Supervisory Board wanted to establish four committees, including an Appointments Committee, separate from the Compensation Committee, and a Strategy and Risk Committee, separate from the Audit Committee, thereby going beyond the recommendations of the Afep-Medef Corporate Governance Code.

2.1.4.1 APPOINTMENTS COMMITTEE

In accordance with the last paragraph of article 16 II of the Company bylaws, an Appointments Committee, which reports to the Supervisory Board, has been created by article 7 *et seq.* of the Supervisory Board's internal rules. The committee is made up of at least three, and no more than five members who must be natural persons and members of the Supervisory Board and 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 Appointments Committee are appointed for the duration of their term on the Supervisory Board and may be reelected in the same manner, pursuant to article 13 of the bylaws. The Appointments Committee elects a Chairman from among its members, who directs the committee and reports to the Supervisory Board.

The members of the Appointments Committee may be dismissed at the discretion of the Supervisory Board, without any need to give reasons. Appointments and dismissals are communicated by regular mail sent to all members of the committee. At least half of the members of the Appointments Committee must be present to validly deliberate. A member may not participate by proxy.

Attendance fees are paid to the members of the Appointments Committee for each of the committee meetings that they attend as set by the Supervisory Board subject to the total maximum annual attendance fees for all of the members of the Supervisory Board as determined by the General Shareholders' Meeting.

The mission of the Appointments Committee is as follows:

- to propose candidates to the Supervisory Board for the cooption and appointment of members of Corporate officers of Publicis Groupe by the Supervisory Board or at the General Shareholders' Meeting;
- to study proposals concerning the appointment of the managers of the Group's main subsidiaries or networks;
- to monitor the development of the management of the Group's main subsidiaries or networks.

The Appointments Committee is composed of Élisabeth Badinter, Chairperson, Michel Cicurel, Henri-Calixte Suaudeau, and Gérard Worms. Three of its members are considered to be independent based on the criteria applied by the Supervisory Board: Michel Cicurel, Henri-Calixte Suaudeau and Gérard Worms.

The committee met twice during 2014, and reported on its work to the Supervisory Board. The members' attendance rate was 100%.

The committee studied the composition of the Supervisory Board and proposed the renewal of the terms of Claudine Bienaimé and Michel Halpérin. The committee also debated the composition of the Management Board for which recommendations were made to the Board on September 15, 2014. The committee also considered the appointment of certain brand corporate officers.

2.1.4.2 COMPENSATION COMMITTEE

Under articles 8 *et seq.* of the Supervisory Board's internal rules, the Compensation Committee's rules for appointing members and conducting business are the same as those of the Appointments Committee. The mission of the Compensation Committee is as follows:

- to examine and propose to the Supervisory Board the compensation for the corporate officers, as well as the attribution of stock subscription or purchase options, free shares or any similar instruments; to propose to the Supervisory Board the amounts of attendance fees, which are submitted for decision to the General Shareholders' Meeting;
- in general, to examine the general policies of the Management Board on compensation and granting of options, free or performance-based shares or of any similar instruments;
- to propose to the Supervisory Board the text resolutions concerning the compensation of Corporate Officers to be submitted to the General Shareholders' Meeting.

The Compensation Committee is composed of Amaury de Seze, Chairman, Claudine Bienaimé, Véronique Morali and Michel Cicurel. Three of the committee's four members, including the Chairman, are considered as independent: Amaury de Seze, Michel Cicurel and Claudine Bienaimé.

The committee met seven times during 2014, and reported on its work to the Supervisory Board. The members' attendance rate was 100%.

The committee studied, during its 2014 meetings, issues relating to the Chairman's compensation (wholly variable) and that of the Management Board members (fixed and variable parts) and proposed several decisions to the Supervisory Board to be taken concerning them. The committee was informed about the compensation of the other members of the Executive Committee (P12). It studied the issues relating to the policy of share-based compensation. The committee was made aware of the bonus policy based on the Group's results in a similar manner to all major networks and was consulted on a new bonus system for the Group.

The current committee Chairman and his predecessor, Amaury de Seze and Michel Cicurel, had discussions with Jean-Yves Naouri in order to reach an agreement with regard to him leaving the Group. At the end of 2014, the committee was informed that Jean-Yves Naouri had filed two summons against the Group, one before the *Conseil de Prud'hommes* (a Tribunal for settling disputes between companies and individual employees) and the other before the *Tribunal de Commerce de Paris* (Paris Commercial Court).

2.1.4.3 AUDIT COMMITTEE

In accordance with the last paragraph of article 16 II of the Company bylaws, an Audit Committee, which reports to the Supervisory Board, was created under article 6 *et seq.* of the Supervisory Board's internal rules. It is composed of a minimum of three and a maximum of five members of the Supervisory Board and 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 on the Supervisory Board and may be reappointed in the same manner, pursuant to article 13 of the bylaws. The Audit Committee elects a Chairman from among its members to direct the work of the committee and to provide reports to the Supervisory Board. The members of the Audit Committee may be dismissed at the discretion of the Supervisory Board, without it having to give a reason. Appointments and dismissals are communicated by regular mail sent to all members of the committee. As with the other three committees, attendance fees paid to members of the Audit Committee, for each meeting attended, are fixed by the Supervisory Board as part of the total maximum attendance fee amount allocated to the Supervisory Board members as a whole by shareholders at the General Shareholders' Meeting.

Publicis Groupe relies on the recommendations in the report – commissioned by the *Autorité des marchés financiers* (the french financial markets Authority) by the working group on the Audit Committee chaired by Olivier Poupart-Lafarge, with respect to the definition and performance of the work of its Audit Committee.

The Audit Committee consists of Gérard Worms, Chairman, Claudine Bienaimé and Hélène Ploix. Jean-Paul Morin has been appointed as the permanent Audit Committee expert. All three members of the committee are considered as independent. Due to their professional backgrounds, Hélène Ploix and Gérard Worms have particular expertise in financial and accounting matters.

The committee met six times during the 2014 fiscal year. The members' attendance rate was 100%.

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 committee has a sufficient period of time (between four and six days) to study the accounts before they are examined by the Supervisory Board. The Audit Committee is regularly informed about the internal control program, the results and corrective measures implemented following internal control audits, the results of internal auditing assignments and their follow up as well as the principal pending legal disputes and their developments. It is also informed about all fraud and/or fraud attempts of which the Group may have been made aware. It also ensures that the external auditors' recommendations are implemented and gives its opinion on the budgets for the Group's external audit. The Audit Committee gives its opinion about the appointment of external auditors.

The Supervisory Board heard the Audit Committee, which gave its opinion concerning closing the accounts, and, more generally, the internal control procedures and audits.

During the 2014 fiscal year, the Audit Committee also gave an opinion to the Board concerning the takeover bid of Sapient Corporation and its financing which falls within its remit.

2.1.4.4 STRATEGY AND RISK COMMITTEE

Under articles 9 *et seq.* of the Supervisory Board's internal rules, the Strategy and Risk Committee's rules for appointing members and conducting business are the same as those of the other committees. The Strategy and Risk Committee is composed of Marie-Josée Kravis, committee Chairperson, Élisabeth Badinter, Marie-Claude Mayer, Véronique Morali and Hélène Ploix. The committee has two independent members: Marie-Josée Kravis and Hélène Ploix.

The committee is tasked with examining (in coordination with the Audit Committee) the risks to which the Company is exposed and the policies and corrective measures that will allow it to control and reduce these risks, as well as with examining the major strategic and growth options available to the Group and whether or not they are implemented with respect to transactions likely to affect the Group's strategy as a whole.

The committee met once in 2014. The members' attendance rate was 100%.

It reviewed the Group's risk mapping and the measures implemented to limit its risks. The committee analyzed in depth some of the major risks to which the Group is exposed and, in particular, legal risks and risks connected with managing Human Resources. The committee analyzed in detail the risks linked to the planned merger between equals between Publicis Groupe SA and Omnicom Group. It discussed the major strategic options in terms of growth and acquisitions.

2.1.5 REPORT OF THE SUPERVISORY BOARD CHAIRPERSON ON THE PREPARATION AND ORGANIZATION OF THE SUPERVISORY BOARD'S WORK AND INTERNAL CONTROL PROCEDURES

In respect of my role as Chairperson of the Supervisory Board and in accordance with Article L. 225-68 paragraph 7 of the French Commercial Code, it is my responsibility to report on the composition of the Board and the application of the principle of gender-balanced representation, the conditions for preparing and organizing the Board's work, as well as the internal control and risk management procedures in place within our Group.

This report was approved by the Supervisory Board at its meeting of March 2, 2015.

Publicis Groupe refers to the Afep-Medef Corporate Governance Code as updated in June 2013 with the exception of the recommendations set out in Section 2.1.7 hereafter. This Corporate Governance Code is available on the Medef website at www.medef.com or on the AFEP site at www.afep.com.

Publicis Groupe applies all of the principles of the Afep-Medef Corporate Governance Code, with the exception of one of the criteria proposed by the Code to assess the independence of the Members of the Supervisory Board. In accordance with the AFEP/Medef Corporate Governance Code, Publicis Groupe explained its situation: the Supervisory Board debated the issue of the independence of its members and analyzed the criteria that it wished to retain. The Board has chosen not to follow the criterion limiting the terms of Supervisory Board members to 12 years, believing that this limitation is not suitable for Supervisory Boards, whose role is fundamentally different from that of a Board of Directors, for which these criteria were defined.

It is important to remember that the Afep-Medef Corporate Governance Code was developed for companies governed by a Board of Directors and that the Code specifically states that companies with a Management Board and a Supervisory Board should make any necessary modifications.

The Supervisory Board is not responsible for the management of the Company, which falls to the Management Board alone, but for its direction and constant oversight. Because of this role, the Board decided that the concept of the length of the term of office has no effect on the independence, by its very nature, of the supervisory duties that the Board and its members perform.

Furthermore, the Board decided that the specific characteristics of the advertising field and its global expansion and technological development mean that experience is crucial to the Board members carrying out their responsibilities.

Nonetheless, the Board launched discussions regarding changes to its composition and three members tendered their resignation as of May 27, 2015, earlier than the initial expiry of their term.

2.1.5.1 CONDITIONS FOR PREPARING AND ORGANIZING THE SUPERVISORY BOARD'S WORK

Since November 27, 1987, Publicis Groupe SA has chosen to function under a Management Board and a Supervisory Board. This structure allows Publicis to separate management activities from supervisory activities and establish evenly balanced powers.

The Management Board is the Company's decision-making body.

The General 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 prior approval. At its meeting of February 11, 2015, renewing its discussion of February 12, 2014, the Supervisory Board decided that the purchase or disposal of any real estate, the purchase or disposal of any company whose value exceeded 5% of the Company's equity, and any loan, bond or share issuance exceeding 5% of the Company's equity would be subject to prior approval of the Supervisory Board.

These provisions are also specified in the internal rules of the Supervisory Board, as well as the basic rules such as those concerning the independence of the Board's members, conflicts of interest and confidentiality. The internal rules also establish the terms on which the Board and its four specialized committees operate and the Board's relationship with the Management Board. The Supervisory Board completed its internal rules on February 11, 2015 concerning the procedures according to which Board members can exercise their right to information, the rules for notifying the Board of the Company's financial and cash flow situation and its undertakings, the principle according to which any significant transaction outside the framework of the strategy must be submitted to the Board for approval and the period between the examination of the accounts by the Audit Committee and their being submitted to the Supervisory Board.

To prevent insider trading, the Management Board established rules regulating the conduct of the Group's permanent insiders, defining the periods in which trading in Company shares is permitted, which also applies to Supervisory Board members.

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

During the 2014 fiscal year, the Supervisory Board comprised 14 members, and then 13 following the death of Michel Halpérin on August 11, 2014.

The Board consists of Élisabeth Badinter, Chairperson of the Board, Sophie Dulac, Vice-Chairperson, Claudine Bienaimé, Hélène Ploix, Marie-Claude Mayer, Véronique Morali, Marie-Josée Kravis, Amaury de Seze, Gérard Worms, Michel Cicurel, Simon Badinter, Henri-Calixte Suaudeau and Jean Charest.

Over half of the Board members are women.

More than half of the Board members are considered independent based on the criteria applied by the Board, in accordance with the recommendations set out in the Afep-Medef Corporate Governance Code.

The Supervisory Board verified that its independent members had no significant business relations with the Group. In order to assess the independence of its members, the Supervisory Board used the criteria set out in the Afep-Medef document, other than – for the reasons explained above – the criterion on the 12-year term limit, in particular:

- not be an employee of the Company or a member of its Supervisory or Management Board, employee or director of the parent company or a consolidated company, during the last five years;
- not be a corporate officer of a company in which the Group holds, directly or indirectly, a management position, or in which an employee designated as such or a corporate officer of the Company (currently or in the past five years) holds a management position;
- not be a client, supplier, business banker or investment banker:
  - that is significant to the Company or the Group, or
  - for which the Company or Group represents a significant part of its business;
- not have a close relative who is Corporate Officer;
- has not been an auditor of the Company during the last five years.

According to these criteria, the following members are considered to be independent:

- Hélène Ploix;
- Marie-Josée Kravis;

- Jean Charest;
- Amaury de Seze;
- Henri-Calixte Suaudeau;
- Gérard Worms;
- Michel Cicurel;
- Claudine Bienaimé.

The Board meetings are held in French. The Board met eleven times in 2014, with an attendance rate of 96%. The average length of the meetings was approximately two and a half hours. The documents necessary to examine the items on the agenda are normally sent to Board members a few days in advance, and one week in advance when they concern examining the parent company and consolidated financial statements for the fiscal year. The Management Board is always available to provide clarifications or additional information to any Board member. In order to facilitate participation by members particularly those who live overseas, the Supervisory Board has included provisions in its internal rules to allow one or more members to participate in Board meetings by video-conference or other mode of telecommunication in accordance with the law and regulations in force. The Board also set out strict rules concerning conflicts of interest in its internal rules: the principle is that members of the Supervisory Board must be able to exercise their role in a completely independent manner, vis-à-vis each other and vis-à-vis the Management Board and that each member undertakes, as soon as he or she learns of it, to inform the Board of any conflict of interest, whether actual or potential. No conflicts of interest were identified by either the Board or by any of its members in 2014.

The main points examined and decisions made by the Supervisory Board at its meetings during 2014 were as follows:

- at its meeting on February 12, the Board received the Management Board's report concerning the previous year and examined the consolidated and parent company financial statements for 2013, after hearing the Audit Committee and the comments of the statutory auditors. It set limits on the powers of the Management Board and its authorizations for sureties and guarantees. The Board was informed of the progress of the planned merger of equals between Publicis Groupe and Omnicom Group. The Compensation Committee's report was read out to the Board;
- on March 3, the Board, following the opinion of the Appointments Committee, decided to submit to the Annual Shareholders' Meeting the renewal of the terms of the following Board members: Claudine Bienaimé and Michel Halpérin. The Board was informed of the discussions with Jean-Yves Naouri, Management Board member, by both the Compensation Committee and the Appointments Committee as well as by the Chairman of the Management Board. The Board was notified of the diverging interests which were revealed during negotiations with Omnicom Group. After having heard the report of the Compensation Committee, the Board decided on the compensation of the Chairman of the Management Board (which has been completely variable since 2012) as well as the variable part of the compensation of the other Management Board members for the 2013 fiscal year. The Board also decided on the draft resolutions to be submitted to the General Shareholders' Meeting and decided on the terms of its report on the Management Board's report and the financial statements for the 2013 fiscal year. The Board examined the summary and learned from the conclusions of the annual self-assessment of its work for the 2013 fiscal year and approved the Chairperson's report on the operation of the Supervisory Board and the Company's internal control procedures;
- at the meetings of March 12 and 24, the Board was consulted and gave its opinion concerning responses to be forwarded to Omnicom concerning the divergences existing about going ahead with the planned merger between equals between Publicis Groupe and Omnicom Group;
- on May 8, the Board approved the motion of the Management Board to shelve the planned merger between equals between Publicis Groupe and Omnicom Group, and the terms of the Termination agreement;
- at its meeting on May 28, the Board heard the management report of the Management Board as of March 31, 2014 and reviewed the quarterly consolidated and parent company financial statements. The Group's position at the end of April 2014, as well as the updated forecasts, were presented to the Board. The Management Board reported the guarantees granted by Publicis Groupe SA to its subsidiaries. The Board, after having read the Compensation Committee's report, revised the qualitative criteria used to calculate the compensation of the Chairman of the Management Board in respect of 2014. The Board was informed of the discussions conducted by the current Chairman of the Compensation Committee and his predecessor, Amaury de Seze and Michel Cicurel, with Jean-Yves Naouri;
- on July 21, the Board took note of the management report of the Management Board as of June 30, 2014 and reviewed the Company's six-monthly consolidated financial statements and parent company financial statements, after having heard the Audit Committee's report and the conclusions of the statutory auditors. It was presented with the forecasts updated to end 2014 ;
- at its meeting on September 15, the Management Board presented to the Board the market trends for the end of 2014 and the forecasts for 2015, as well as the Group's position at August 31, 2014. The Board had given its approval to the principle of the advance refund of the Orane bonds which will be submitted to the meetings of Orane bondholders and Publicis Groupe SA shareholders in 2015. The Board heard a presentation concerning the revision of the strategy presented in 2013, building in the considerable changes under way in the competitive environment of Publicis Groupe, and approved the strategic orientations proposed by the Management Board, orientations intended to reinforce the Group in future growth sectors. The Board also approved the dividend policy and the growth objectives for 2018 proposed by the Management Board. The Board also heard the reports of the Audit Committee, the Compensation Committee and the Appointments Committee. The Board terminated the role of Jean-Yves Naouri as a member of the Management Board and appointed a new Management

Board consisting of Maurice Lévy, Chairman, Anne-Gabrielle Heilbronner, Jean-Michel Etienne and Kevin Roberts for a period of four years. In addition, a "Management Board +" was set up, comprising Group management members who are not corporate officers and who do not have a the right to vote but can also be usefully involved in certain discussions of the Management Board in an advisory capacity;

- on October 21, the Board issued a favorable opinion concerning an orientation of the Group in developing digital consistent with the strategy presented by the Chairman of the Management Board on September 15;
- at the meeting of October 31, the Board was informed of a planned takeover bid on a cash for shares basis of Sapient Coporation and approved the transaction presented by the Management Board;
- lastly, at the meeting of December 1, the Board read the management report by the Management Board on September 30, 2014 and examined the Company's parent company financial statements and consolidated financial statements at that date after having heard the Audit Committee's report. The Group's position as of the end of October, as well as the updated forecasts, were presented. The Management Board informed the Board of the preparatory stages for closing the planned takeover bid and the work started with a view to preparing the integration of Sapient Corporation. Within the framework of the planned acquisition of Sapient Corporation and its financing, the Board ruled on the authorizations to be given to the Management Board in accordance with articles 12 and 16 of the bylaws and the decisions of the Board made on February 12, 2014 concerning the limitation of the powers of the Management Board. The Board, in accordance with Article L. 225-86 *et seq.* of the French Commercial Code, authorized as a related-party agreement a subscription contract to be entered into with Société Générale. The Board conducted an annual review of the agreements signed previously and which continued to be executed during the 2014 fiscal year. The Board heard the Compensation Committee's report.

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. Hélène Ploix, independent member of the Supervisory Board, conducted this assessment with the support of the Board secretary. The scores given by the members for the 2013 fiscal year were good; Board members stated they were satisfied with the work conducted, the quality of the discussions and exchanges with the Management Board and the relevance of the information that they received in order to perform their duties. One of the conclusions of the Board's self-assessment was to meet the managers of the Group's networks in order to better understand its activities and organization. Two first presentations were organized following this assessment on December 1, 2014, with Arthur Sadoun, CEO of the Publicis Worldwide network and on February 11, 2015 with Steve King, CEO of ZentithOptimedia.

For 2014, this assessment was conducted by Hélène Ploix, having revised her approach to put greater emphasis on the major Governance challenges and her conclusions were discussed during the meeting of March 2, 2015.

Four special committees (the Appointments Committee, the Compensation Committee, the Audit Committee and the Strategy and Risk Committee) assist the Supervisory Board in performing its duties with the aim of improving Group corporate governance. The operational rules of these four committees were included in the internal rules and are described in Sections 2.1.4.1 to 4 of the Registration Document.

The Appointments Committee is composed of Élisabeth Badinter, committee Chairperson, Henri-Calixte Suaudeau, Michel Cicurel and Gérard Worms. Three of its members are considered as independent based on the criteria applied by the Supervisory Board.

The Appointments Committee met twice in 2014, with an attendance rate of 100%. The committee studied the composition of the Supervisory Board and proposed renewing the mandates of Claudine Bienaimé and Michel Halpérin. The committee also discussed the composition of the Management Board in respect of which recommandations had been put to the Board meeting of September 15, 2014.

During the meetings of November 2014 and then February 2015, the Appointments Committe considered the independence of committee members and confirmed its independence criteria. In this respect, it considered that Claudine Bienaimé had become independent as of October 2014, five years after the expiry of her last term as Director of a Group entity. The committee, seeking to renew the composition of the Board and increase its degree of independence, discussed the composition of the Board and recommended that the Supervisory Board accept the resignaion of three members, Hélène Ploix, Henri-Calixte Suaudeau and Gérard Worms, as of the May 2015 General Shareholders' Meeting, and earlier than the initial expiry of their term. Having taken note of this resignation, the Committe decided to propose that the Board modify the Company's bylaws with a view of appointing non-voting members, charged with ensuring that the Company respects the rules of corporate governence at all times. The Committe proposed a resolution to be put to a shareholders' vote and recommended, in the event that this resolution is adopted, that Hélène Ploix and Gérard Worms be appointed as non-voting members for a period of two years.

The Compensation Committee is composed of Amaury de Seze, committee Chairman, Michel Cicurel, Claudine Bienaimé and Véronique Morali. The primary role of this committee, which consists of three independent members – and is chaired by one of them – is to examine and make proposals regarding the compensation of corporate officers of the Company and to ratify the Group's general policies on compensation and the grant of stock options, performance shares or any other compensation instruments.

The Compensation Committee met seven times during 2014, with an attendance rate of 100%. The Committee studied, at its various meetings in 2014, issues relating to the Chairman's compensation (wholly variable since 2012) and that of the Management Board members (fixed and variable parts) and proposed decisions to the Supervisory Board to be taken concerning them. In addition, the committee was informed about the compensation of the other members of the Executive Committee (P12). It studied matters relating to the policy of share-based compensation. The committee was made aware of the bonus policy based on the Group's results in a similar manner to all major networks and was consulted on a new bonus system for the Group. The current committee Chairman and his predecessor, Amaury de Seze and Michel Cicurel, had discussions with Jean-Yves Naouri with a view to finding an agreement with regard to him leaving the Group. At the end of 2014, the committee was informed that Jean-Yves Naouri had filed two summons against the Group, one before the Conseil des Prud'hommes (a Tribunal for settling disputes between companies and individual employees) and the other before the *Tribunal de Commerce de Paris* (Paris Commercial Court).

The rules and principles adopted by the Supervisory Board to determine compensation and benefits of any nature granted to corporate officers are described in Section 2.2 of the Registration Document for the 2014 fiscal year. The key features of the stock option and performance share allocation policy are described in Note 28 to the consolidated financial statements presented in the Registration Document.

The Strategy and Risk Committee is composed of Marie-Josée Kravis, committee Chairperson, Élisabeth Badinter, Marie-Claude Mayer, Véronique Morali and Hélène Ploix. The committee met once during the year, with an attendance rate of 100%. The committee has two independent members and is chaired by one of them. It reviewed the Group's risk mapping and the measures implemented to limit its risks. The committee analyzed in depth the risks linked to the planned merger with Omnicom Group. It discussed the major strategic options in terms of growth and acquisitions.

The Audit Committee is composed of Gérard Worms, its Chairman, Hélène Ploix and Claudine Bienaimé. Jean-Paul Morin was designated as the permanent Audit Committee expert. The three committee members are considered as independent. Because of their professional backgrounds, Hélène Ploix and Gérard Worms have particular expertise in financial and accounting matters. The Audit Committee met six times during 2014, with an attendance rate of 100%. This 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 program, the results and corrective measures implemented following the internal audit, the results of auditing assignments and their follow up as well as the principal pending legal disputes and their developments. It is also informed about all fraud or fraud attempts of which the Group may have been made aware. It also ensures that the external auditors' recommendations are implemented and gives its opinion on the budgets for the Group's external audit. The Audit Committee gives its opinion about the appointment of external auditors. During the 2014 fiscal year, the Audit Committee also gave an opinion to the Board concerning the takeover bid of Sapient Corporation and its financing which falls within its remit.

Publicis Groupe relies on the recommendations in the report – commissioned by the Autorité des marchés financiers – by the working group on the Audit Committee chaired by Olivier Poupart-Lafarge, with respect to the definition and performance of the work of its Audit Committee.

The Supervisory Board listened to the Audit Committee, which gave its opinion on the financial statements, and more generally on the internal control and audit procedures that are the subject of the second part of this report. The work of the Audit Committee during 2014 is described in the "Audit Committee" paragraph in Section 2.1.4.3 of the Registration Document.

Agreements concerning a possible change in control or likely to have an influence in the event of a takeover bid are presented in Section 6.2.3 of the Registration Document.

As for General Shareholders' Meetings, the terms and procedures for shareholders participation in meetings are explained in articles 19 through 24 of the Company's bylaws.

2.1.5.2 INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

1. Objectives and organization

Internal control and risk management is fully integrated as part of the operational and financial management of the Group. Its remit extends across all the Group's activities and structures. The Group internal control and risk management policy, approved by the Management Board and applied at all levels of the Group, is designed to provide reasonable assurance on the realization of the Group's objectives in relation to:

- the achievement and optimization of operations, in line with the direction by the Management Board;
- the reliability of financial information;
- compliance with laws and regulations in effect;
- the management and control of strategic, operational and financial risks.

The objectives of this framework, as approved by the Management Board and presented to the Audit Committee are to enable:

- continuing oversight aiming to identify the risks and opportunities having a potential impact on the achievement of the Group's strategic objectives;
- an appropriate communication about risks enabling contribution to decision making process;
- regular monitoring of the effectiveness of the Group's internal control and risk management system.

The Group has a general Administration department enabling it to monitor internal control in a formal and centralized manner: this function includes the Legal Department (managed by the General Counsel), the Internal Audit, Internal Control and Risk Management Department (managed by the VP Internal Audit & Risk Management), the Purchasing and Insurance Departments and lastly the Human Resources Department. The Secretary General is a Member of the Group's Management Board. The Internal Audit & Risk Management VP and the Secretary General attend all Audit Committee meetings and have easy access to its Chairman and each of its members. The tools needed to gain a broader view of potential risks are thus in place, which supports the effort to improve risk management throughout the entire organization.

The Group's internal control and risk management system is based around the 2013 COSO (Committee Of Sponsoring Organizations of the Treadway Commission) guidelines as well as the reference framework defined by the AMF.

2. Internal control framework

Publicis Groupe has defined guidelines based on the Group values stated therein, including practical principles and rules on conduct, ethics and social responsibility, as well as any other practices to ensure that the operations of the Group's entities comply with standards, laws and regulations. These guidelines, applicable to all of the Group's hierarchical levels, set out the rules of conduct for this purpose: "The way we behave and the way we operate". These guidelines are known as "Janus" and are distributed to all networks. They are also accessible online to all Group employees.

The procedures relating to the preparation of accounting and financial information, to the continued security of IT systems and to the introduction of significant operational procedures are mentioned there in a detailed manner, promoting consistency of treatment at all levels of the Group and networks.

These guidelines serve as the foundation of the Group's internal control system.

This system is also strengthened through a network of shared service centers systematically implemented by the Group since 1996 in order to overcome the challenges faced by a business that relies on a large number of agencies. This network is managed by a CEO, reporting to the Chairman of the Management Board, with the legal and financial functions of the shared service centers under the functional responsibility of the Group's Legal Department and Financial Department respectively. The network of shared service centers now covers almost 95% of the Group's revenue.

The Management Board, the Finance Department, the Operational Department, the Internal Audit Department, the Internal Control and Risk Management Department and the operational managers of the networks are all involved in deploying the internal control system. When the Group makes an acquisition, the internal control system is generally applied within 12 months following the acquisition date. Acquisitions also receive special attention when the annual audit plan is being drawn up.

3. Monitoring the effectiveness of the internal control system

The Group's senior management is responsible for the Group's internal control system. The General Secretary and the Internal Audit & Risk Management VP regularly report to the Audit Committee and to senior management on the quality of the Group's internal control system. This system draws on the following:

A) INTERNAL AUDIT ASSIGNMENTS

The audit teams carry out internal control assessments that encompass the various financial and operational processes within the Group's entities, based on an annual audit plan. This audit plan is developed based on risk analysis, past events and specific requests from senior management. Once mutual agreement has been reached with the networks, it is approved each year by the Chairman of the Management Board and by the Audit Committee.

The Internal Audit Department audits the entities and also conducts special audits focusing on specific, group-wide issues at various levels within the Group.

Internal audit findings are communicated in a report to the Chairman of the Management Board of the Group including the monitoring of recommendations and action plans. A summary of all audit assignments completed, including special assignments, is presented during each Audit Committee Meeting.

The action plans stemming from the audit recommendations are monitored centrally with the help of a dedicated computer application. Additionally, specific "in the field" follow-up assignments are launched for the most critical reports or when action plan indicators are not in line with the commitments made by the audited entities. A report on the status of the implementation of audit recommendations is regularly presented to the Financial Directors of the Group's networks and to the Audit Committee.

External assistance is called in when needed to support internal audits when special skills or techniques are necessary to conduct investigations.

B) FINANCIAL MONITORING CONTROLS PROGRAM

Publicis Groupe also established a program entitled "Financial Monitoring Controls" (FMC) consisting of a series of key controls set out by process and implemented across all Group entities.

Follow-up of the roll-out and implementation of key controls is performed at two levels:

- a monthly self-assessment submitted by all Group entities helps to make them accountable for the effectiveness of their controls;
- special teams, called FMC teams, are deployed across the various networks to evaluate the effectiveness of the controls within the entities. These teams are linked to the Finance Department of each network as well as the Group's Internal Control and Risk Management Department, which oversees them, coordinates their work, and compiles the results. These teams follow a control plan covering over 75% of the Group's consolidated revenue each year;
- furthermore, a review of the key checks and controls of the corporate processes relating to financial reporting (Consolidation, Tax, M&A, etc.) is conducted on an annual basis by the Internal Audit Department.

C) MONITORING BY THE LEGAL DEPARTMENT

The Group's Legal Department regularly monitors litigation-related risks within the Group. A summary of any significant legal disputes, as well as an estimate of their potential impacts, is presented to the Group's senior management every quarter. The main legal disputes are also discussed in each Audit Committee Meeting.

4. Risk Management Framework

Every two weeks, a "Group Committee" uniting the Chairman of the Management Board, the Financial Director, the Secretary General, the CEO of the Shared Service Centers, the EVP Emerging markets, the Chief Strategist Officer and the SVP Communication review the major risks faced by the Group's activity.

Working with the senior management, the operational 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 significant contracts, to risks of conflicts of interest and to changes in contractual clauses.

The Secretary General, who oversees the Human Resources Department, regularly forwards to senior management his analyses of the appeal and retention of talent and the risks related to the possible loss of key senior managers.

The risks relating to accounting information, the external growth policy, management of the liquidity position, exchange rates, changes in the Group's debt or tax position are monitored by the Finance Department, in conjunction with senior management.

The risks associated with accounting and financial information are also subject to a detailed control, overseen by the Internal Control and Risk Management Department, on the basis of which the FMC (Financial Monitoring Controls) are defined.

The procedure for monitoring the Group's risk management system was formalized beginning in 2008 with risk mapping. All of the risks that may have an impact on the Group's finances, operations or image are listed. These impacts are the subject of an evaluation and a probability of occurrence is estimated for each risk identified; a level of intrinsic risk is therefore determined as well as a level of residual risk after taking into account the control system.

The risk mapping is updated on a regular basis to strengthen the risk management system on an ongoing basis.

In 2014, the mapping was updated at mid-year and was presented at the Strategy and Risk Committee Meeting in March 2014, which had also studied the risks inherent to the planned merger with Omnicom Group. Moreover, the committee analyzed in detail some of the Group's major risks and, in particular, risks linked to certain projects and IT systems as well as recruitment costs. These analyses were presented to the Strategy and Risk Committee together with proposed action plans to limit the level of residual risk. These analyses and other information served as a basis for the audit plan drawn up for 2015.

Signed in Paris, on March 2, 2015,

Élisabeth Badinter

2.1.6 STATUTORY AUDITOR'S REPORT, PREPARED IN ACCORDANCE WITH ARTICLE L. 225-235 OF THE FRENCH COMMERCIAL CODE (*CODE DE COMMERCE*), ON THE REPORT PREPARED BY THE CHAIRWOMAN OF THE SUPERVISORY BOARD OF PUBLICIS GROUPE

To the Shareholders,

In our capacity as statutory auditors of Publicis Groupe, and in accordance with article L. 225-235 of the French Commercial Code *(Code de commerce)*, we hereby report on the report prepared by the chairwoman of your Company in accordance with article L. 225-68 of the French Commercial Code *(Code de commerce)* for the year ended December 31, 2014.

It is the Chairwoman's responsibility to prepare and submit for the Supervisory Board's approval a report on the internal control and risk management procedures implemented by the Company and to provide the other information required by article L. 225-68 of the French Commercial Code *(Code de commerce)* relating to matters such as corporate governance.

Our role is to:

- report on any matters as to the information contained in the Chairwoman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information; and
- confirm that the report also includes the other information required by article L. 225-68 of the French Commercial Code *(Code de commerce)*. It should be noted that our role is not to verify the fairness of this other information.

We conducted our work in accordance with professional standards applicable in France.

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

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairwoman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information. These procedures consist mainly in:

- obtaining and understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairwoman's report is based and of the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and of the existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our work are properly disclosed in the Chairwoman's report.

On the basis of our work, we have no matters to report on the information relating to the company's internal control and risk management procedures relating to the preparation and processing of the accounting and financial information contained in the report prepared by the Chairwoman of the Supervisory Board in accordance with article L. 225-68 of the French Commercial Code *(Code de commerce)*.

Other information

We confirm that the report prepared by the Chairwoman of the Supervisory Board also contains the other information required by article L. 225-68 of the French Commercial Code *(Code de commerce)*.

Paris-La Défense and Courbevoie, April 3, 2015

The statutory auditors

French original signed by

ERNST & YOUNG et autres		MAZARS	
Vincent de La Bachelerie	**Christine Staub**	**Loïc Wallaert**	**Anne-Laure Rousselou**

2.1.7 APPLICATION OF THE AFEP-MEDEF CODE: APPLYING THE "APPLY OR EXPLAIN" RULE

Within the framework of the "Apply or explain" rule specified in Article L. 225-68 of the French Commercial Code and referred to in Article 25.1 of the Afep-Medef Code, the Company considers that its practices are compliant with the recommendations of the Afep-Medef Code. However, some provisions have been dismissed, for the reasons explained hereafter:

Recommendations of the Afep-Medef Code	Position
Article 9.4 – Independence of Directors criterion The assessment of the nature, significant or otherwise, of the relationship with the Company or its Group must be discussed by the Board and the criteria having led to this assessment must be explained in the Registration Document. Maximum period of 12 years for the terms of office of members of the Board of Directors.	The Board has chosen not to follow the criterion limiting the terms of Supervisory Board members to 12 years, believing that this limitation is not suitable for Supervisory Boards, whose role is fundamentally different from that of a Board of Directors, for which these criteria were defined. The Supervisory Board, as a non-executive body, is not responsible for the management of the Company, which falls to the Management Board alone, but for its direction and constant oversight. Because of this role, the Board decided that the concept of the length of the term of office has no effect on the independence, by its very nature, of the supervisory duties that the Board and its members perform.
Article 14 – Duration of the duties of Directors The terms of office must be staggered in such a manner as to avoid a renewal en masse and to favor a smooth renewal of the directors' mandates.	Eight of the thirteen Supervisory Board terms of office will expire at the 2016 Shareholders' Meeting which will approve the financial statements for the fiscal year ended December 31, 2015. The Appointments Committee, keen to renew the composition of the Board and increase its independence, discussed the Board's composition and recommended that the Supervisory Board accept the resignation of three of its members – Hélène Ploix, Henri-Calixte Suaudeau and Gérard Worms – with effect from the General Shareholders' Meeting in May 2015 and before the scheduled expiry of their term of office. Having duly noted these resignations, the committee suggested to the Board an amendment to the Company's bylaws with a view to appointing *Observers* whose task would be to ensure the Company's permanent compliance with best governance practices. The committee put forward a resolution to be submitted to a shareholders' vote and recommended, in the event of this resolution being adopted, that Hélène Ploix and Gérard Worms be appointed as Observers for a period of two years.
Article 17 – infra Article 18.1 - Composition and operating procedures of the Appointments Comittee The Appointments Committee must be chaired by an independent director.	Ms. Badinter, daughter of the founder of the Group and its first shareholder, has been the Chairperson of the Appointments Committee since it was created.

2.1.8 CODE OF ETHICS

The Group has a set of rules governing its behavior and ethics under the name "Janus." These guidelines apply to all of the Group's hierarchical levels and set out the rules of conduct: "*The way we behave and the way we operate*". The Code was updated in October 2009 and circulated across all the networks.

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

The guidelines include a Code of Ethics applying to all Group employees with specific rules for members of the Management Board and other Managers. The values embodied by Publicis are clearly outlined there, starting with respect for individuals and their diversity.

The aim of these rules of conduct is to provide the Group with strict rules and procedures for running our business worldwide in all fields: human management, business ethics, financial management, individual responsibility. This includes encouraging diversity and preventing discriminatory conduct. They are meant to prevent any illegal activity, in particular by ensuring that Group employees comply with laws and regulations in the conduct of the Group's business. Janus also contains a separate chapter with a detailed code of conduct on stock market trading, designed to prevent insider trading. The Group's rules of conduct are also meant to prevent favoritism, misappropriation of funds, breach of trust, corruption, conflicts of interest or other misconduct and subject the Group and its employees to the highest standards in terms of integrity, ethics and compliance. They are designed to protect the Group's data and know-how by establishing strict guidelines regarding confidentiality and good faith. Finally, they establish procedures for control and reporting by management of the Group and of the various networks of any breach of these rules.

This Code of Ethics is available on the Group's website (www.publicisgroupe.com) in the "Social Responsibility" section under "Social" and "Ethics".

In addition, Publicis undertakes to provide a copy of its codes of ethics free of charge to any person upon request. A request may be made directly to the Group's Legal Department by telephone at 33 (0)1 44 43 70 00 or by mail to 133, avenue des Champs-Élysées, 75008 Paris, France.

2.2 Compensation report

For the purposes of the law of July 3, 2008, which transposes Directive 2006/46/EC of June 14, 2006, Publicis Groupe declares that, as from 2008, the Afep-Medef Corporate Governance Code shall be its reference when preparing the report provided for in Article L. 225-68 of the French Commercial Code.

The Supervisory Board is in charge of continuously ensuring that each decision made regarding compensation of the corporate officers complies with the guidelines under the Afep-Medef Corporate Governance Code revised in June 2013.

2.2.1 COMPENSATION OF THE SUPERVISORY BOARD MEMBERS

A. COMPENSATION POLICY

Overall budget

The total amount of attendance fees allocated to members of the Supervisory Board is determined by the Publicis Groupe's General Shareholders' Meeting.

Thus, the Group's General Shareholders' Meeting of June 7, 2011 approved an annual allowance of euro 1 million in attendance fees for members of the Supervisory Board. On average, 79% of this budget was used each year between 2011 and 2013. Use of the budget was greater in 2014 (85.8%) due to the planned merger with Omnicom which involved the members of the Board and committees.

In order to take into account the increase in the number of Supervisory Board and committee meetings, the General Shareholders' Meeting of May 28, 2014 approved by 95.2% an increase in the annual budget for attendance fees allocated to members of the Supervisory Board at euro 1.2 million without changing the procedure for compensation of the members of the Supervisory Board and committees.

Compensation of the Supervisory Board members

Going beyond the recommendations of the Afep-Medef Corporate Governance Code, the Supervisory Board, on the advice of the Compensation Committee, decided that the allocation of attendance fees among the members of the Supervisory Board would be 100% variable and solely based on actual attendance at Board and committee meetings.

In accordance with the total maximum budget for attendance fees approved by the General Shareholders' Meeting, each member of the Supervisory Board was paid euro 5,000 in 2014 for each meeting attended in 2013. Each member of the Audit Committee, Appointments Committee, Compensation Committee and Strategy and Risk Committee was paid €5,000 for each meeting attended in 2013.

B. COMPENSATION OF THE CHAIRPERSON OF THE SUPERVISORY BOARD

The compensation of Élisabeth Badinter, Chairperson of the Supervisory Board, was determined by the Supervisory Board in accordance with article 17 of the Company's bylaws. It consists of fixed compensation and, as for all Supervisory Board members, attendance fees.

In her capacity as Chairperson of the Supervisory Board, Élisabeth Badinter maintains regular and ongoing contact with the Management Board in order to prepare the review of the Company's management by the Board. She notably sees to the preparation of Board meetings, the provision of the appropriate information to its members as well as follow-up of decisions. In this capacity, she receives fixed compensation, which has remained unchanged since her original appointment as Chairperson of the Board in 1996, of euro 182,939 per annum. Following her reappointment in 2012, the Compensation Committee benchmarked against similar companies and proposed reviewing the fixed compensation of Élisabeth Badinter. The Supervisory Board decided on an amount of euro 240,000 per annum with effect from November 1, 2012; this amount has not changed since that date and will remain the same for 2015. Élisabeth Badinter does not receive any other form of compensation (immediate or deferred), benefit (in kind or otherwise), or stock-based incentives. She also has no employment contract with the Group.

C. AMOUNTS PAID IN 2014 TO MEMBERS OF THE SUPERVISORY BOARD

The total compensation including the benefits of all kinds paid during the fiscal year ended December 31, 2014 to each member of the Supervisory Board, both by the Company and by the companies controlled by the Company as defined by Article L. 233-3 of the French Commercial Code, is indicated hereafter. For certain members of the Supervisory Board, this compensation includes both a fixed salary and variable compensation. Global compensation is expressed in euros. The amounts indicated are gross amounts and do not reflect deductions relating to taxes or social charges.

COMPENSATION (IN EUROS) PAID DURING THE 2014 FISCAL YEAR TO MEMBERS OF THE SUPERVISORY BOARD (GROSS AMOUNTS BEFORE SOCIAL SECURITY AND TAX EXPENSES)

	Total gross compensation in 2014 including:	Fixed compensation	Variable compensation(1)	Attendance fees	Benefits in kind(2)	Total gross compensation in 2013	Of which fixed compensation
Élisabeth Badinter(9)	310,000	240,000	-	70,000	-	319,510	249,510
Sophie Dulac	35,000	-	-	35,000	-	15,000	-
Henri-Calixte Suaudeau	60,000	-	-	60,000	-	60,000	-
Hélène Ploix	90,000	-	-	90,000	-	70,000	-
Gérard Worms	90,000	-	-	90,000	-	85,000	-
Amaury de Seze	75,000	-	-	75,000	-	60,000	-
Simon Badinter(3)	45,000	-	-	45,000	-	327,186	101,678
Michel Cicurel	85,000	-	-	85,000	-	80,000	-
Felix G. Rohatyn (4)	10,000	-	-	10,000	-	30,000	-
Michel Halpérin (5)	85,000	-	-	85,000	-	80,000	-
Claudine Bienaimé	115,000	-	-	115,000	-	85,000	-
Marie-Claude Mayer (6)	340,400	250,400	40,000	50,000	-	350,350	250,350
Véronique Morali (7)	197,863	122,863	-	75,000	-	195,000	130,000
Marie-Josée Kravis	50,000	-	-	50,000	-	45,000	-
Jean Charest (8)	35,000	-	-	35,000	-	-	-

(1) Amounts paid in 2014 in respect of the 2013 fiscal year.
(2) Benefits in kind relating to the use of a company car are not mentioned when they are for an immaterial amount.
(3) Simon Badinter, member of the Supervisory Board had an employment contract with Medias et Régies Europe up to June 30, 2013.
(4) End of term of office as a member of the Supervisory Board on May 29, 2013.
(5) Died on August 11, 2014.
(6) Marie-Claude Mayer, member of the Supervisory Board, has an employment contract with Publicis Board.
(7) Véronique Morali was paid in respect of her position as Chairperson of the Women's Forum for the Economy and Society. She left her position on December 9, 2014.
(8) Appointed as a member of the Supervisory Board on May 29, 2013.
(9) As of November 1, 2012, the monthly compensation of Élisabeth Badinter, which had not been increased since 1996, was increased from euro 15,245 to euro 20,000 following a study of levels of compensation in comparable companies. The increase relating to November 2012 and December 2012 were backdated in 2013.

2.2.2 COMPENSATION OF THE MANAGEMENT BOARD MEMBERS

The compensation policy of the Publicis Groupe Management Board members aims to align the interests of the Group's executives with those of the shareholders by establishing a clear link between performance and compensation. Within this context, its essential purpose is to encourage the attainment of ambitious objectives and create value on a long-term basis, by setting demanding performance criteria.

In order to do so, the structure for remunerating the Publicis Groupe management is mainly based on variable compensation directly linked to their individual performance as well as their contribution to Group performance.

Furthermore, it is based on an in-depth analysis of market trends observed in France and abroad, both in major internationals in general and, more specifically, in the companies competing with Publicis.

A. COMPENSATION POLICY

Objectives and principles

The Publicis Groupe policy concerning the compensation of directors is intended to:

- attract, develop, retain and motivate the most talented individuals in a sector where the quality of the teams is the main asset and where competition for talent is increasingly fierce;
- encourage the management to achieve a level of performance which is high, growing and long-lasting within a very competitive environment.

It is guided by three principles:

- the competitiveness and coherent nature of compensation with regard to market trends;
- internal equality, based on individual and collective performance, in order to ensure fair and balanced compensation reflecting the level of individual success of each person, measured both quantitatively and qualitatively;
- achieving all the short, medium and long term financial and operating results directly linked with the Group's strategic objectives and for the benefit of all stakeholders, our customers, employees and shareholders.

These principles apply to all Group executives and are adapted based on the geographical location of the individuals concerned in order to factor in differences in terms of regulations, market practices and the competitive environment.

In accordance with Article 10 of the Company's bylaws, the form and amount of compensation of the Chairman and members of the Management Board are set by the Supervisory Board, on the recommendation of the Compensation Committee. For members of the Management Board other than the Chairman, the Chairman of the Management Board makes proposals to the Compensation Committee, and then to the Supervisory Board.

Fixed compensation

DETERMINATION

The fixed salary is determined by taking into account:

- the scope of responsibility;
- the training, career and experience of the person holding the position;
- consistency in relation to the other Group functions (internal equality);
- market practices for identical or comparable positions (external competitiveness).

DEVELOPMENT

The level of the fixed compensation is reviewed every other year, for Management Board members and for the other members of the Group management in order to regularly assess its relevance and competitiveness.

In general, the compensation of the Management Board members is only reassessed sporadically, when such a revision is justified for example by changes to the scope of responsibility of by the positioning in relation to the market.

Annual variable compensation

OBJECTIVE

Variable compensation is intended to represent a substantial part of the overall annual compensation of managers if set objectives are achieved and it encourages them to outperform as it rewards objectives when they are exceeded.

DETERMINATION

Annual variable compensation is subject to financial performance and non-financial performance conditions and no minimum amount is guaranteed.

It is based on several quantifiable criteria assessed separately and takes into account:

- the overall performance of the Group or that of the network to which the beneficiary belongs;
- achieving the personal objectives of the manager assessed a posteriori by taking into account the items of context in which the performance was achieved.

These parameters are fixed in advance for each fiscal year.

Variable long-term compensation

The share-based compensation program should encourage managers on a long-term basis; it is subject to performance conditions designed to develop the loyalty of those holding the key positions within the organization while encouraging managers over the long term in a community of interests with Publicis Groupe shareholders. With this in mind, and in accordance with the Afep-Medef Corporate Governance Code, the Group's corporate officers undertake not to use hedging financial instruments on shares to be received or shares received but which are non-transferable. Furthermore, they undertake to keep 20% of the shares acquired during the whole period of the term of office.

The performance conditions which apply to all the granted shares are determined by the Supervisory Board on the recommendation of the Compensation Committee, and are based on the following principles:

DEMANDING PERFORMANCE CONDITIONS, ADAPTED TO THE GROUP'S BUSINESS SECTOR

The conditions governing the acquisition of the performance shares and stock options are based on two financial criteria based on the performance of Publicis Groupe compared with that of a benchmark group (Omnicom, WPP, IPG, Publicis Groupe). The two criteria are:

- organic revenue growth: a particularly demanding criterion which translates the ability to extend and develop the client portfolio and existing activities within a group that is also very dynamic in terms of external growth.

  If Publicis Groupe's organic growth is greater than the average of the benchmark group, 100% of the shares are awarded. If organic growth is less than 80% of the benchmark group, no shares are awarded. If organic growth is between 80% and 100%, the number of shares is reduced by 5% for each 1% of performance recorded below 100%;
- operating margin (as a percentage of revenue).

  If Publicis Groupe has the best operating margin in the sector, 100% of the shares are awarded. If Publicis Groupe is in second place, 50% of the shares are awarded. If Publicis Groupe is in third place, 15% of the shares are awarded and if Publicis Groupe is in last place, no shares are awarded.

These criteria are particularly demanding notably because they are based on an assessment relating to performance (encouraging the Publicis management to deliver the best figures in the market) and on complete transparency, as the results are measured on the basis of public data. Publicis demonstrates both the demands and the reality of the expected performance.

VESTING PERIOD

In order to favor the retention of managers, no shares are acquired by the beneficiaries before they have been working in the Group for a certain amount of time, and subject to the performance conditions being satisfied. This period is:

- three years for French beneficiaries, followed by a two-year lock-in period for the shares acquired;
- four years for the other beneficiaries.

STABILITY OF THE PERFORMANCE CONDITIONS

The Supervisory Board considers that consistency in the performance conditions represents one of the factors for creating long-term value. This is why the assessment criteria concerning organic revenue growth and the operating margin of the Group have been used since 2003.

UNIQUENESS OF THE PERFORMANCE CONDITIONS

Although certain conditions governing compensation through share allocation programs vary among members of the Management Board and other Group managers, the same performance conditions are used for all Group long-term compensation programs whether they apply to members of the Management Board or to other managers. The aim is to ensure perfect cohesion among Publicis Groupe's entire management team.

COMPENSATION THROUGH SHARE ALLOCATION PROGRAMS FOR MEMBERS OF THE MANAGEMENT BOARD

Members of the Management Board may benefit from share allocation programs, be it through the LionLead co-investment plan or the Management Board LTIP.

In 2014, no performance stock was allotted to the members of the Management Board [1].

Members of the Management Board [1] took part in 2013 in the 2013 LionLead Co-investment Plan in respect of which the shares will only be acquired in April 2017 (or April 2016 for the French with a two-year lock-in period) and the stock options will become exercisable in April 2017 (or April 2016 for the French) subject to the conditions of maintaining the investment, presence, and performance being satisfied. In 2013, the Management Board members [1] also benefitted from the LTIP 2013-2015 program in respect of which the shares will only be acquired in June 2017 (or June 2016 for the French with a two-year lock-in period) subject to the conditions of presence and performance being satisfied.

The allocation of shares or stock options to members of the Management Board are limited to 0.5% of the share capital and this limit is far from being reached considering the allocations actually made to date.

(1) Kevin Roberts, Jean-Michel Etienne and Jean-Yves Naouri.

B. COMPENSATION OF THE CHAIRMAN OF THE MANAGEMENT BOARD

Compensation mechanism

The compensation of the Chairman of the Management Board is entirely of a variable nature and is linked to the performance of Publicis, in accordance with his wishes.

In agreement with Maurice Lévy, the Supervisory Board decided that as of January 1, 2012 that his compensation will no longer include any fixed items.

The Chairman of the Publicis Groupe Management Board receives no other element of compensation: he does not benefit from share allocation programs put in place for the benefit of the other Group managers and he has no supplementary pension plan or lump-sum severance payment despite the very widespread prevalence of these systems for managers of comparable French and foreign multinationals.

The compensation of the Chairman of the Management Board is calculated based on a theoretical maximum of euro 6 million if all targets are fully met.

However, total annual compensation cannot exceed euro 5 million. According to actual performance and to the assessment of the qualitative targets reached, Maurice Lévy's compensation can therefore vary from 0 to euro 5 million.

These conditions were set as of January 1, 2012 for the duration of the term of office of the Chairman of the Management Board and were maintained during the last reappointment on September 15, 2014.

Compensation structure for 2014

CRITERIA CHOSEN FOR ASSESSING PERFORMANCE

The compensation of Maurice Lévy is based on financial and stock exchange performance criteria, essentially based on a comparison with the main competitors of Publicis Groupe (Omnicom, WPP and IPG) and on non-financial, qualitative performance criteria annually defined by the Supervisory Board following a proposal made by the Compensation Committee depending on objectives considered as major for the future of the Group.

The compensation of the Chairman of the Management Board is thus based on three types of criteria:

- **three financial criteria** taking into account the development of the Group's growth and profitability compared with those of a benchmark group consisting of three other leading global communication groups (Omnicom, WPP and IPG):
  - the organic growth of the Group's revenue,
  - the net income rate *versus* Group revenue,
  - the rate of change of the net income per diluted share of the Group (earnings per share or "EPS"), comparing the EPS of the fiscal year and the average EPS of the previous two fiscal years;
- **a criterion of value creation for the shareholder:** TSR (Total Shareholder Return) which reflects the variation of the share price of Publicis Groupe between the start and end of the fiscal year concerned (on the basis of the average of the first listed prices recorded in the last twenty sessions of the year, compared with the average of the first listed prices in the first twenty sessions in the year), increased by the amount of the dividends paid during the fiscal year. This criterion is directly linked to the immediate interests of shareholders.

  These four criteria were chosen by the Supervisory Board, following the proposal of the Compensation Committee, because they best express quality in the Company's performance. Measured, for three of the four, in comparison with the main competitors of Publicis Groupe, they encourage over-performance;
- **non-financial individual criteria** in order to value the implementation of strategic actions which will yield long-term effects corresponding to a third of the overall weight of the criteria. Each year the Supervisory Board decides on the strategic objectives assigned to Maurice Lévy.

  For 2014, these individual criteria focused, with an identical weighting, on:
  - the updating of the strategy presented in April 2013, with a detailed plan enabling all the objectives to be achieved,
  - the digital transformation of Publicis Groupe, medium-term objective (2018) with, for 2014, the implementation of processes, teams and means to increase the weight of digital activities to 50% of the Group's revenue for 2018 and to exceed this threshold thereafter,
  - defining the Group's future organization and putting in place a transitional phase in line with the Appointments Committee and the Supervisory Board.

CRITERIA WEIGHTING AND MEASURING THE FINANCIAL AND STOCK EXCHANGE PERFORMANCE

- Weighting:
  - financial and stock exchange criteria account for two-thirds of the theoretical compensation of the Chairman of the Management Board:
    - 3/4 of this budget is attributed on the basis of the organic growth and net profit criteria, each one taken into account equally,
    - 1/4 of this budget is attributed on the basis of earnings per diluted share and TSR, each one being taken into account on an equal basis;
  - the non-financial individual criteria together account for a third of the compensation, with each criteria having the same weight.
- Performance relating to each criterion, and the compensation to which this performance confers entitlement, is assessed separately, with each criterion being independent from the others.
- The compensation to be paid in respect of each of the financial and stock exchange criteria is framed by a minimum performance threshold, below which the compensation in respect of the criterion in question is zero, and a maximum threshold that must be reached for the compensation issued for this criterion to correspond to the maximum. These thresholds are shown in the table below:

Financial criteria	Minimum performance/compensation threshold	Maximum performance/compensation threshold
Rate of organic growth	80% of the average rate of organic growth of the benchmark group	Equal to or greater than 120% of the average benchmark group rate
Net income rate	80% of the highest benchmark group rate	Equal to or greater than the highest rate of the benchmark group
Rate of net income per diluted share	80% of the average benchmark group rate	Equal to or greater than the rate of the average group benchmark change
Change in TSR	Zero or negative	Positive

For the first three criteria, below the minimum performance threshold, no compensation is paid and between the two thresholds (minimum and maximum) the compensation to be paid is calculated in a linear manner between 0 and the maximum amount.

STABILITY OF THE FINANCIAL PERFORMANCE CONDITIONS

The Supervisory Board considers that consistency in the performance conditions is one of the factors for creating long-term value. Therefore the criteria of organic growth of revenue or net income rate of the Group compared with those of the Group's main competitors have been used as the basis for the calculation of Maurice Lévy's compensation for over ten years. With regard to the other two criteria (rate of net profit per diluted share and the change in the TSR), they were added in 2012 when the structure for the compensation of the Chairman of the Management Board was modified in order to maintain a strong alignment of interest with the shareholders.These two new parameters were applied to fiscal years 2013 and 2014 and will be done so also in 2015.

In total, the Supervisory Board consequently wanted to base the compensation of the Chairman of the Management Board on diversified, financial and non-financial criteria, representative of the results to be achieved regarding crucial dimensions for the future of Publicis. The need for Publicis Groupe to outperform its main competitors (so that the maximum amount possible could be attributed) illustrates the demanding nature of the financial objectives in respect of which the extent of achievement is measured in a completely transparent manner on the basis of known figures or figures published by Publicis as they are by its competitors.

Compensation paid in 2015 in respect of the 2014 fiscal year

On March 12, 2015, having heard the recommendations of the Compensation Committee, the Supervisory Board set the variable compensation for 2014 payable in 2015 for the other members of the Management Board as follows:

- for financial criteria: euro 1,500,000 (37.5% of theoretical maximum amount);
- for non-financial criteria: euro 1,333,333 (66.6% of theoretical maximum amount),

i.e. a total of euro 2,833,333.

MEASURING FINANCIAL AND STOCK EXCHANGE PERFORMANCE IN THE 2014 FISCAL YEAR

In terms of financial criteria, performance is calculated based on figures published by the benchmark group (Omnicom, WPP and IPG). For individual non-financial criteria, performance was assessed by the Compensation Committee, and then by the Supervisory Board by examining in detail the achievements of the fiscal year in each of the three areas considered.

Publicis Groupe criteria	Performance level	Amount of variable compensation
Rate of organic growth	Organic growth for Publicis Groupe was 2%, which represented 30.93% of the average rate of organic growth of the benchmark group	No compensation
Net income rate	The net income rate of Publicis Groupe was the highest benchmark group rate at 9.92%	Euro 1,500,000
Rate of net earnings per diluted share	The change in the rate of net earnings per diluted share between 2014 and the average for the 2012 and 2013 fiscal years was -8.1%. This results is lower than the average benchmark group rate	No compensation
Change in TSR	The TSR was euro -4.8	No compensation
Individual non-financial criteria	The Board, upon the recommendation of the Compensation Committee, noted the entire success in terms of the Group's digital transformation, with a weighting of 41.9% of the Group's revenue as of 2014 and the acquisition of Sapient. It considered that a thorough strategic review had been carried out and that the decisions taken last September regarding the composition of the Management Board and the creation of the "Management Board +" highlighted the progress in the definition of the Group's future organizational structure which remains to be implemented. These discussions led the Supervisory Board, upon the recommendation of the Compensation Committee, to consider that compensation should be equal to 100% of the maximum for the transformation criterion and to 50% of the maximum for the other two criteria.	Euro 1,333,333

C. COMPENSATION OF THE OTHER MANAGEMENT BOARD MEMBERS

Breakdown of the amounts paid in 2014

The total compensation including the benefits of all kinds paid during the fiscal year ended December 31, 2014 to each Supervisory or Management Board member, both by the Company and by the companies controlled by the Company as defined by Article L. 233-3 of the French Commercial Code, is indicated below. For certain members of the Management Board, this compensation includes both a fixed salary and variable compensation. The variable part is dependent on actual performance and achieving financial and non-financial objectives set the previous year. Total compensation is expressed in euros. The amounts indicated are gross amounts and do not reflect deductions relating to taxes or social charges.

The table below takes into account changes in the composition of the Management Board on September 15, 2014, with the end of Jean-Yves Naouri's term of office and the appointment of Anne-Gabrielle Heilbronner.

GROSS AMOUNTS BEFORE SOCIAL SECURITY AND TAX EXPENSES

	Fixed compensation	Variable compensation(5)	Attendance fees	Benefits in kind (6)	Total gross compensation in 2014	Total gross compensation in 2013	Of which fixed compensation
Management Board							
Maurice Lévy	-	4,500,000	-	-	4,500,000	4,800,000	-
Kevin Roberts(1)(2)	753,757	1,305,844	-	23,516	2,083,118	2,662,663	753,173
Jean-Yves Naouri(3)	700,000	300,000	-	-	1,000,000	1,600,000	700,000
Jean-Michel Etienne	720,000	600,000	-	-	1,320,000	972,000	540,000
Anne-Gabrielle Heilbronner(4)	480,000	360,000	-	-	840,000	-	-

(1) Compensation for this contract is calculated and paid in US dollars. The euro conversion is carried out at the average rate of $1 = €0.75375 in 2014 and $1 = €0.75317 in 2013.

(2) Variable compensation includes an annual pension contribution in accordance with the contract.

(3) Compensation paid in 2014 corresponds to that for the entire year despite the Supervisory Board terminating the role of Jean-Yves Naouri as a member of the Management Board on September 15, 2014. Fixed compensation paid in 2014 during the term of office represented euro 498,485.

(4) Compensation paid in 2014 corresponds to the entire year, despite Anne-Gabrielle Heilbronner being appointed to the Management Board on the basis of a decision of the Supervisory Board made on September 15, 2014. Fixed compensation paid in 2014 during the term of office represented euro 140,000.

(5) Amounts paid in 2014 in respect of the 2013 fiscal year.

(6) Benefits in kind relating to the use of a company-provided vehicle are not mentioned when they are for an immaterial amount.

Compensation of Kevin Roberts

ANNUAL FIXED COMPENSATION

The annual fixed compensation of Kevin Roberts paid during the 2014 fiscal year remained the same as for the 2013 fiscal year.

STRUCTURE OF THE VARIABLE COMPENSATION

The Supervisory Board decided that the variable part of Kevin Roberts' compensation for 2014, the maximum amount of which could be up to 240% of his fixed salary, would be based on:

- two criteria linked to the financial performance of Saatchi & Saatchi Fallon in relation to the objectives, for 3/4 of the variable part:
  - growth of revenue (for 1/2 of the amount),
  - operating margin (for 1/2 the amount);
- three non-financial individual criteria for 1/4 of the variable part, each taken into account on an equal basis:
  - personal involvement in gaining new budgets,
  - preparing the future Saatchi & Saatchi Fallon management team,
  - integrating the acquisitions of Saatchi & Saatchi Fallon.

VARIABLE COMPENSATION PAID IN 2015 FOR 2014

After studying the performance achieved for each of the criteria indicated above during the 2014 fiscal year, the Supervisory Board set the variable part for Kevin Roberts at dollar 2,400,00 (or euro 1,809,000). This amount resulting from the following facts and assessments:

Saatchi & Saatchi Fallon criteria	Performance level	Amount of variable compensation
Growth of revenue	Objective achieved	USD 900,000 (euro 678,375)
Operating margin	Objective exceeded	USD 900,000 (euro 678,375)
Non-financial criteria	For all qualitative criteria set, the Supervisory Board noted, upon the recommendation of the Compensation Committee, that the personal implication of Kevin Roberts in both securing new budgets and the preparation of Saatchi & Saatchi Fallen's new management team and the integration of acquisitions was exceptional and greatly contributed to the improvement in results and to the preparation of Saatchi & Saatchi Fallon's future.	USD 600,000 (euro 452,250)

Due to the confidential nature of certain information in a highly competitive environment, the detailed breakdown of Saatchi & Saatchi Fallon's performance that was used to calculate the variable compensation of Kevin Roberts cannot be disclosed in greater detail.

By way of a reminder, Kevin Roberts did not receive any variable compensation for the 2013 fiscal year.

Furthermore, Kevin Roberts did not benefit from any share compensation program in 2014.

Compensation of Jean-Michel Etienne

ANNUAL FIXED COMPENSATION

The Supervisory Board, on the recommendation of the Compensation Committee, decided to adjust the base salary of Jean-Michel Etienne to euro 720,000 as of January 1, 2014, to make it more in line with his very solid experience as a Finance Director accumulated outside and within the Group and with the compensation practices observed for this level of position both in France and in the industry in which Publicis operates. By way of a reminder, the last revision of his fixed compensation was in 2011.

STRUCTURE OF THE VARIABLE COMPENSATION

The Supervisory Board decided that the variable part of Jean-Michel Etienne's compensation for 2014, of a maximum amount of up to 100% of his fixed salary, would be based on:

- four criteria linked to the financial performance of the Group in relation to the objectives, for 3/4 of the variable part, each being taken into account on an equal basis:
  - net income rate,
  - operating margin,
  - managing cash and cash equivalents, and
  - employee expenses;

- four non-financial individual criteria for 1/4 of the variable part, each being taken into account on an equal basis:
  - period for preparing the financial statements,
  - launch of the ERP,
  - reducing the number of under-performing entities,
  - monitoring acquisitions.

VARIABLE COMPENSATION PAID IN 2015 FOR 2014

After studying the performance achieved for each of the criteria indicated above during the 2014 fiscal year, the Supervisory Board set the variable part of Jean-Michel Etienne's compensation at euro 720,000. This amount results from the the following facts and assessments:

Publicis Groupe criteria	Performance level (as a % of the objective)	Amount of variable compensation
Net income rate	Objective achieved	Euro 135,000
Operating margin	Objective achieved	Euro 135,000
Managing cash and cash equivalents	Objectives exceeded	Euro 135,000
Employee expenses	Objective achieved	Euro 135,000
Non-financial individual criteria	Four qualitative criteria were set, with the maximum compensation relating to each of these criteria set at euro 45,000: deadline for preparing financial statements, the launch of the ERP, the reduction of under-performing entities and the monitoring of acquisitions. Regarding all these criteria, the Board considered, on the recommendation of the Compensation Committee, that Jean-Michel Etienne's personal objectives had been fully achieved.	Euro 180,000

Moreover, Jean-Michel Etienne did not benefit from any share-based compensation program in 2014.

Compensation of Jean-Yves Naouri

After the decision by the Supervisory Board on September 15, 2014, to terminate the role of Jean-Yves Naouri as a member of the Management Board, and his dismissal on October 1, 2014, Jean-Yves Naouri instigated proceedings with the Conseil des Prud'Hommes (a Tribunal for settling disputes between companies and individual employees) and the other before the Tribunal de Commerce de Paris (Paris Commercial Court). These proceedings are in progress. Jean-Yves Naouri held a French employment contract with a subsidiary of Publicis Groupe SA. No lump-sum severance payment was made to Jean-Yves Naouri other than the legal and conventional dismissal payments of euro 80,769.24 gross in lieu of leave and euro 507,777.83 gross as a dismissal payment, calculated according to the provisions of the national collective agreement for publicity and similar companies.

Compensation of Anne-Gabrielle Heilbronner

Following the appointment of Anne-Gabrielle Heilbronner to the Management Board on September 15, 2014, the conditions of her compensation remained unchanged until the end of 2014, *i.e.* fixed annual compensation of euro 480,000 and variable compensation of a maximum amount that may represent up to 70% of her base compensation, mainly linked to the qualitative appreciation of her performance in her role which includes at the Group level:

- governance, and in particular the supervision of the secretariat of the Supervisory Board and the Shareholders' Meeting;
- legal functions;
- internal audit;
- purchasing and insurance;
- human resources.

After reviewing the performance and at the recommendation of the Compensation Committee, the Supervisory Board set the variable part of Anne-Gabrielle Heilbronner due for 2014 and payable in 2015 at its maximum level of euro 336,000 and decided to increase the maximum amount of the variable compensation to 100% of the fixed compensation for 2015.

In addition, Anne-Gabrielle Heilbronner did not benefit from any stock compensation plan in 2014 as a member of the Management Board. Prior to her appointment, Anne-Gabrielle Heilbronner benefitted from the LTIP Plan 2014.

D. COMMITMENTS EXISTING WITH THE MANAGEMENT BOARD MEMBERS

Employment contracts

FOR MAURICE LÉVY

The employment contract entered into with Maurice Lévy at the time of his arrival at the Group in 1971 has since been performed by various Group companies, and lastly by Publicis Conseil SA, where this contract had been suspended since Maurice Lévy's appointment as Chairman of the Management Board on January 1, 1988. Following the end of his term for the period between 2008 and 2011, Maurice Lévy decided to terminate his appointment as Chairman and Chief Executive Officer of Publicis Conseil SA and his employment contract.

FOR KEVIN ROBERTS

Kevin Roberts does not have an employment contract with Publicis Groupe SA, but within the framework of his operational duties, he does have employment contracts with the relevant subsidiaries, which are deemed employment contracts by the law of the countries concerned.

FOR JEAN-MICHEL ETIENNE AND ANNE-GABRIELLE HEILBRONNER

They continue to hold French employment contracts with Publicis Groupe SA or its subsidiaries.

Termination conditions

On March 17, 2008, on proposal from the Compensation Committee, the Supervisory Board amended existing contractual commitments relating to compensation, indemnities and benefits likely to be due to members of the Management Board on the termination of their office and functions, in order, notably, to bring these commitments into 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 these are considered related-party agreements and, as required by the TEPA law, the changes were submitted to the General Shareholders' Meeting of June 3, 2008, where they were approved. The General Meetings of 2009, 2010 and 2011 noted that these agreements remained in effect during the fiscal years between 2009 and 2011. Following the renewal of the appointments of the members of the Management Board as of January 1, 2012, on the Compensation Committee's recommendation, the Supervisory Board confirmed the existing commitments (while specifying the potential entitlements to free shares) towards Kevin Roberts, Jack Klues, and Jean-Yves Naouri on March 6, 2012, and reviewed the existing agreements with Jean-Michel Etienne. The arrangements renewed or adopted by the Board were notified to the statutory auditors as regulated agreements to be put to the vote, when so required by the law, at the General Shareholders' Meeting. The General Meeting of May 29, 2012 approved these agreements. The contracts or agreements existing with Kevin Roberts, Jean-Yves Naouri and Jean-Michel Etienne were amended accordingly. The 2013 and 2014 General Shareholders' Meeting noted that these agreements were renewed during the 2012 and 2013 fiscal years.

In application of Articles L. 225-90-1 and R. 225-60-1 of the French Commercial Code, the details of the regulated agreements described above may be viewed on www.publicisgroupe.com.

Following the appointment of a new Management Board by the Supervisory Board on September 15, 2014, the existing contractual obligations with the members of the Management Board were reviewed, and new obligations put in place for the new member of the Management Board by the Supervisory Board on March 12, 2015 following a proposal made by the Compensation Committee. The provisions adopted or authorized by the Board were communicated to the statutory auditors as related-party agreements and will be submitted, in accordance with the law, to the General Shareholders' Meeting of May 27, 2015.

FOR MAURICE LÉVY

No lump-sum severance payment is anticipated.

FOR KEVIN ROBERTS

The current commitments with Kevin Roberts state that in the event of a forced departure due to a change in control or strategy and other than in the case of serious or gross misconduct, Kevin Roberts would be entitled to a termination benefit if this departure should occur before the normal term (General Shareholders' Meeting called to approve the 2016 financial statements).

This benefit would be equal to 120% of his annual fixed salary, to which would be added the maximum annual amount of the target bonus to which he would have been entitled and the annual cost of various benefits which he receives, as well as maintaining his social security insurance protection for one year and the right to exercise the stock options and/or to purchase the shares that have been awarded to him, and to retain the free shares already granted to him, subject to the performance conditions set out in the regulations for the bonus share award plan in question.

This benefit would be subject to a performance condition: the termination benefit would only be due in its full amount if the average annual amount of the bonus acquired by Mr. Roberts for the three years prior to 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 benefits will be due. If the average annual amount is between 25% and 75% of the "target bonus", the payments and benefits will be calculated on a proportional basis between 0% and 100% applying the rule of three.

The termination benefit may only be paid after the determination by the Supervisory Board that the performance conditions had been achieved at the date on which his term as a member of the Management Board ended.

FOR JEAN-MICHEL ETIENNE

The current commitments to Jean-Michel Etienne provide that in the event of a forced departure due to a change in control or strategy and other than in the case of serious or gross misconduct, Jean-Michel Etienne would be entitled to a termination benefit if this departure should occur before the normal term (September 15, 2018).

Providing that Jean-Michel Etienne does not continue to be employed by Publicis Groupe, the amount of the benefit would be equal to one and a half years' total gross compensation (fixed compensation and target variable component). He would also have the right to exercise the options to subscribe to and/or to purchase the shares that have been awarded to him, and to retain the bonus shares already granted to him, subject to the performance conditions set out in the regulations for the plan in question being satisfied.

This benefit would be subject to a performance condition: the termination benefit would only be due in its full amount if the average annual amount of the bonus acquired by Jean-Michel Etienne for the three years prior to 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 benefits will be due. If the average annual amount is between 25% and 75% of the "target bonus", the amounts and benefits will be calculated on a proportional basis between 0% and 100% applying the rule of three.

The termination benefit may only be paid after the determination by the Supervisory Board that the performance conditions had been achieved at the date on which his term as a member of the Management Board ended.

FOR ANNE-GABRIELLE HEILBRONNER

The current commitments to Anne-Gabrielle Heilbronner provide that in the event of a forced departure due to a change in control or strategy and other than in the case of serious or gross misconduct, Anne-Gabrielle Heilbronner would be entitled to a termination benefit if this departure should occur before the normal term (September 15, 2018).

Providing that Anne-Gabrielle Heilbronner does not continue to be employed by Publicis Groupe, the amount of the benefit would be equal to one years' total gross compensation (fixed compensation and target variable component). She would also have the right to exercise the options to subscribe to and/or to purchase the shares that have been awarded to her, and to retain the bonus shares already granted to her, subject to the performance conditions set out in the regulations for the plan in question being satisfied.

This benefit would be subject to a performance condition: the termination benefit would only be due in its full amount if the average annual amount of the bonus acquired by Anne-Gabrielle Heilbronner for the three years prior to the termination of her duties is at least 75% of her "target bonus". If the average annual amount is less than 25% of the "target bonus," no sum or benefits will be due. 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% using the rule of three.

The termination benefit may only be paid after the determination by the Supervisory Board that the performance conditions had been achieved at the date on which her term as a member of the Management Board ended.

Pension plans

None of the members of the Management Board benefit from a supplementary pension plan.

However, instead of the complementary pension contracts provided for at the time of the acquisition of Saatchi & Saatchi, a commitment was made to pay Kevin Roberts successive annuities during the 2009-2014 period for a total maximum amount of USD 7,045,000. Of this amount, USD 5,770,000 is directly conditional on his continued employment in the Group during the 2009-2013 period, and could be reduced on a *pro rata* basis in the event that Mr. Roberts should leave the Group before the end of this period.

Moreover, at the end of each contractual period and under certain conditions, Mr. Roberts is due deferred compensation calculated on the basis of USD 200,000 per year of service completed with effect from the start of the period.

Non-compete agreement of the Chairman of the Management Board

Under the non-compete agreement signed by Maurice Lévy, Mr. Lévy will not, for at least three years following the termination of his duties as Chairman of the Management Board of Publicis Groupe, for any reason whatsoever, work in any manner whatsoever with a company operating in the field of advertising, and more generally with a competitor of Publicis, nor can he invest in a competitor of Publicis.

In consideration of the observance of this non-compete agreement, Maurice Lévy shall receive a total amount equal to 18 months of total gross compensation (fixed compensation and maximum variable compensation as defined by the Supervisory Board on March 17, 2008), paid in equal monthly advance installments of euro 150,000 (gross) over the period covered by the non-compete agreement, *i.e.* euro 5,400,000 (gross) in total for the three years.

This non-compete agreement, approved by a very large majority of 99.85% at the General Shareholders' Meeting of June 3, 2008, continues its effects without any change after the start of the new term of office of the Chairman of the Management Board on January 1, 2012 and its renewal on September 16, 2014.

Other commitments

Jack Klues asked that his term as member of the Management Board and his position as Chairman of VivaKi end as of December 31, 2012. However, his employment contract remained in effect for six months to ensure the transition with the new structure of the Group in the areas of media purchases and digital services.

In addition, it was agreed that if Mr. Klues retired at his own initiative at the age of 55 or over, or was asked by Publicis to retire at the age of 57, he could receive for five years an annual amount equal to 30% of his last annual compensation (fixed salary plus bonus) as well as a part of his employment benefits, provided that he complies with a non-compete and non-solicitation agreement for five years. As Mr. Klues made the decision to resign, and he is older than 55, this commitment took effect beginning in 2013 for a period of five years.

The total amount recognized in the consolidated income statement of the Group in 2014 in relation to post-employment and other long-term benefits for the persons who were at the year end, or had been in the year ended, members of the Supervisory Board and the Management Board, was a net reversal of a provision of euro 1 million.

In addition, the total amount of provisions for these benefits was euro 8 million as at December 31, 2014. This amount was euro 9 million at December 31, 2013, euro 11 million at December 31, 2012 and euro 30 million at December 31, 2011.

See Note 29 of the consolidated financial statements in Section 4.6 of this document.

In application of Articles L. 225-90-1 and R. 225-60-1 of the French Commercial Code, the details of the regulated agreements described above may be viewed on www.publicisgroupe.com.

2.2.3 COMPENSATION SUMMARY TABLE

The recommendation on compensation of corporate officers of companies whose securities are traded on a regulated market, issued by Afep-Medef in October 2008 proposes a standardized presentation of the compensation of corporate officers.

The following tables are based on models proposed by Afep-Medef.

TABLE 1 (AMF NOMENCLATURE) COMPENSATION SUMMARY TABLE IN RESPECT OF THE COMPENSATION DUE AND THE OPTIONS AND SHARES GRANTED TO EACH CORPORATE OFFICER (IN EUROS)

	2014	2013
Management Board		
Maurice Lévy, Chairman of the Management Board		
Compensation due for the year(1)	2,833,333	4,500,000
Valuation of options granted during the fiscal year	-	-
Valuation of performance shares awarded during the fiscal year	-	-
TOTAL	**2,833,333**	**4,500,000**
Kevin Roberts		
Compensation due for the year(1)(2)	3,892,136	2,094,614
Valuation of options granted during the year	-	437,021
Valuation of performance shares awarded during the year	-	1,957,123
TOTAL	**3,892,136**	**4,488,758**
Jean-Yves Naouri(3)		
Compensation due for the year(1)	700,000	1,000,000
Valuation of options granted during the year	-	411,752
Valuation of performance shares awarded during the year	-	1,932,135
TOTAL	**700,000**	**3,343,887**
Jean-Michel Etienne		
Compensation due for the year(1)	1,440,000	1,140,000
Valuation of options granted during the fiscal year	-	331,726
Valuation of performance shares awarded during the fiscal year	-	1,853,002
TOTAL	**1,440,000**	**3,324,728**
Anne-Gabrielle Heilbronner(5)		
Compensation due for the year(1)	816,000	-
Valuation of options granted during the year	-	-
Valuation of performance shares awarded during the year(4)	-	-
TOTAL	**816,000**	**-**

(1) See details in Table 2.

(2) Compensation calculated and paid in US dollars. The euro conversion is carried out at the average rate of $1 = €0.75375 in 2014 and $1 = €0.75317 in 2013.

(3) Compensation corresponds to that for the entire year, despite Jean-Yves Naouri being dismissed by the Management Board on the basis of a decision of the Supervisory Board made on September 15, 2014. Compensation as a Corporate Officer represents €498,485 gross. €80,769,24 gross by way of compensation in lieu of leave, and €507,777.83 gross in respect of contractual lump-sum dismissal was paid in addition.

(4) Prior to her appointment to the Management Board, Anne-Gabrielle Heilbronner benefitted from the LTIP Plan 2014.

(5) Anne-Gabrielle Heilbronner was appointed to the Management Board by decision of the Supervisory Board meeting held on September 15, 2014. Compensation corresponds to that for the entire year. Compensation during the term of office represented euro 140,000.

TABLE 2 (AMF NOMENCLATURE) SUMMARY TABLE OF THE COMPENSATION FOR EACH CORPORATE OFFICER (IN EUROS)

In general, the compensation paid corresponds to the fixed compensation for the specified year and the variable portion corresponds to that of the previous year.

No exceptional compensation was paid to members of the Corporate officers.

	2014 - Amounts:		2013 - Amounts:	
	due	paid	due	paid
Management Board				
Maurice Lévy, Chairman of the Management Board				
Fixed compensation	-	-	-	-
Variable compensation	2,833,333	4,500,000	4,500,000	4,800,000
Benefits in kind[(1)]	-	-	-	-
TOTAL	**2,833,333**	**4,500,000**	**4,500,000**	**4,800,000**
Kevin Roberts[(2)]				
Fixed compensation	753,757	753,757	753,173	753,173
Variable compensation[(3)]	3,114,862	1,305,844	1,304,827	1,872,875
Benefits in kind[(1)]	23,516	23,516	36,614	36,614
TOTAL	**3,892,136**	**2,083,118**	**2,094,614**	**2,662,663**
Jean-Yves Naouri[(4)]				
Fixed compensation	700,000	700,000	700,000	700,000
Variable compensation		300,000	300,000	900,000
Benefits in kind[(1)]	-	-	-	-
TOTAL	**700,000**	**1,000,000**	**1,000,000**	**1,600,000**
Jean-Michel Etienne				
Fixed compensation	720,000	720,000	540,000	540,000
Variable compensation	720,000	600,000	600,000	432,000
Benefits in kind [(1)]	-	-	-	-
TOTAL	**1,440,000**	**1,320,000**	**1,140,000**	**972,000**
Anne-Gabrielle Heilbronner[(5)]				
Fixed compensation	480,000	480,000	-	-
Variable compensation	336,000	360,000	-	-
Benefits in kind	-	-	-	-
TOTAL	**816,000**	**840,000**	**-**	**-**

(1) Benefits in kind relating to the use of a company-provided vehicle are not mentioned when they are for an immaterial amount.

(2) Compensation calculated and paid in US dollars. The euro conversion is carried out at the average rate of $1 = €0.75375 in 2014 and $1 = €0.75317 in 2013.

(3) The variable compensation component includes a contractual annual pension disbursement.

(4) The compensation paid and due in 2014 corresponds to the entire year, even though Jean-Yves Naouri was dismissed from the Management Board on the basis of a decision of the Supervisory Board made on September 15, 2014. Compensation as a Corporate Officer represents €498,485 gross. €80,769,24 gross by way of compensation in lieu of leave, and €507,777.83 gross in respect of contractual dismissal was paid in addition.

(5) The compensation paid and due in 2014 corresponds to the entire year, even though Anne-Gabrielle Heilbronner was appointed to the Management Board by decision of the Supervisory Board meeting held on September 15, 2014. Compensation during the term of office represented euro 140,000.

TABLE 3 (AMF NOMENCLATURE) DETAILS OF ATTENDANCE FEES (IN EUROS)

	Attendance fees paid in 2014	Attendance fees paid in 2013
Supervisory Board		
Élisabeth Badinter, Chairperson	70,000	70,000
Sophie Dulac	35,000	15,000
Simon Badinter	45,000	35,000
Claudine Bienaimé	115,000	85,000
Michel Cicurel	85,000	80,000
Michel Halpérin(1)	85,000	80,000
Hélène Ploix	90,000	70,000
Felix G. Rohatyn(2)	10,000	30,000
Amaury de Seze	75,000	60,000
Henri Calixte Suaudeau	60,000	60,000
Gérard Worms	90,000	85,000
Véronique Morali	75,000	65,000
Marie-Josée Kravis	50,000	45,000
Marie-Claude Mayer	50,000	45,000
Jean Charest(3)	35,000	-
TOTAL	**970,000**	**825,000**

(1) Died on August 11, 2014.
(2) End of term of office as a member of the Supervisory Board on May 29, 2013.
(3) Appointment as member of the Supervisory Board on May 29, 2013.

TABLE 4 (AMF NOMENCLATURE) SHARE SUBSCRIPTION ATTRIBUTED DURING THE FISCAL YEAR TO EACH CORPORATE OFFICER BY THE ISSUER AND BY ANY GROUP COMPANY

None, no stock options were attributed in 2014.

TABLE 5 (AMF NOMENCLATURE) SHARE SUBSCRIPTION EXERCISED DURING THE FISCAL YEAR BY EACH CORPORATE OFFICER (NOMINATIVE LIST)

	Name and date of plan	Number of options exercised during the year	Average exercise price (in euros)	Year granted
Management Board				
Maurice Lévy, Chairman	LTIP I 09/28/2004 and LTIP II 08/21/2006	526,163	27.78	2004 and 2006
Kevin Roberts	-	No options exercised in 2014	-	-
Jean-Yves Naouri	LTIP II 08/21/2006	37,554	29.27	2006
Jean-Michel Etienne	-	No options exercised in 2014	-	-
Anne-Gabrielle Heilbronner(1)	-	No options exercised in 2014	-	-

(1) Appointed to the Management Board on September 15, 2014.

TABLE 6 (AMF NOMENCLATURE) PERFORMANCE SHARES GRANTED TO EACH CORPORATE OFFICER

	First plan		Second plan		Number of performance shares granted Position at December 31, 2014	
	Description	Date	Description	Date	Total number[2]	Of which shares subject to performance conditions
Management Board						
Maurice Lévy, Chairman		-	-	-	-	-
Kevin Roberts	LTIP 2013-2015[1]	06/17/2013	Co-investment Plan	04/30/2013	**45,463**	45,463
Jean-Yves Naouri[4]	LTIP 2013-2015[1]	06/17/2013	Co-investment Plan	04/30/2013	**44,858**	44,858
Jean-Michel Etienne	LTIP 2013-2015[1]	06/17/2013	Co-investment Plan	04/30/2013	**42,942**	42,942
Anne-Gabrielle Heilbronner[3]	No attribution as a member of the Management Board					

(1) Award in 2013 covering 2013-2015

(2) The performance shares awarded to the Management Board members under these plans are definitively acquired (contingent upon four or three years of continued employment with a two-year lock-in period for French residents) depending on Publicis Groupe's relative performance on organic growth and operating margin criteria, compared to the benchmark group (Omnicom, WPP, IPG, Publicis Groupe). 100% of the shares are awarded if the Publicis Groupe achieves organic growth greater than the benchmark group's average, and the highest operating margin rate. No shares are awarded if the Publicis Groupe achieves less than 80% of the benchmark group's average organic growth and the lowest operating margin rate. The result is measured annually for the LTIP 2013-2015 plan, and on average over the 2013-2015 period for the co-investment plan. 59.7% of the objectives were achieved for 2013 and 50% for 2014. Management Board members must retain 20% of the vested shares throughout their term of office. See Section 2.2.2 "Compensation of the Management Board".

(3) Prior to being appointed to the Management Board, on September 15, 2014, Anne-Gabrielle Heilbronner benefited from the annual performance stock plans (LTIP 2012, LTIP 2013, LTIP 2014) and the co-investment plan.

(4) Dismissal from the Management Board on the basis of a decision of the Supervisory Board made on September 15, 2014.

TABLE 7 (AMF NOMENCLATURE) PERFORMANCE SHARES MADE AVAILABLE TO EACH CORPORATE OFFICER

	Plan – name	Date	Number of performance shares made available in 2014
Management Board			
Maurice Lévy, Chairman	-	-	-
Kevin Roberts	LTIP 2010-2012[1]	09/22/2010	49,283
Jean-Yves Naouri	-	-	-
Jean-Michel Etienne	-	-	-
Anne-Gabrielle Heilbronner	-	-	-

(1) 20% of the shares obtained must be retained by the recipient until the end of his/her term as member of the Management Board.

TABLE 8 (AMF NOMENCLATURE) OVERVIEW OF OPTIONS AND SHARES GRANTED OVER THE PAST TEN YEARS

	Stock option plans					
Date of authorization by the Exceptional General Meeting (EGM)	**2005**	**2006**	**2006**	**2007**	**Original Digitas plans[4]**	**2013 Co-investment Plan**
Date of the Management Board's meeting deciding the allocation	05/24/2005	08/21/2006	08/21/2006	08/24/2007		04/30/2013
Total number of allocated share subscription options (S) or of share purchase options (A)	935,192[1] A	100,000 A	10,256,050[1] A	1,574,400[1] A	3,199,756 A	5,949,305[1] S/A[11]
• of which corporate officers:		100,000	950,000[1]	-	-	198,687
• of which first ten beneficiary employees (excluding corporate officers):	210,000[1]	-	738,000[1]	258,000[1]	-	653,299[1]
Start date for exercise of the options	50%[2] 2006[2] 50% 04/25/2007	08/21/2010	50%[3] 2009[3] 50% 2010	50%[3] 2009[3] 50% 2010	01/31/2007	04/30/2016[13] 04/30/2017
Expiry date	05/23/2015	08/20/2016	08/20/2016	08/23/2017	2009 to 2017	04/30/2023
Subscription or purchase price in euros	24.76	29.27	29.27	31.31	2.47 to 58.58	52.76
Total number of allocated share subscription options or share purchase options as at 12/31/2014	935,192 [1]	100,000	10,256,050[1]	1,574,400[1]	3,199,756	5,949,305[1]
Total number of shares subscribed or purchased as at 12/31/2014	590,442	100,000	3,847,426	469,765	2,425,115	-
Total number of canceled subscription options or purchase options as at 12/31/2014	287,935	-	5,809,423	917,674	716,032	347,094
Number of share purchase options, share subscription options or shares remaining as at 12/31/2014	56,815	-	599,201	186,961	58,609	5,602,211

Date of authorization by the Exceptional General Meeting (EGM)	Free share plans 2009 [5] Employees France	2009[6] Co investment Plan	Original Razorfish plan [7]	LTIP 2010	LTIP 2010-2012	2010[5] Employees United States
Date of the Management Board's meeting deciding the allocation	05/20/2009	03/19/2009	12/01/2009	08/19/2010	09/22/2010	11/19/2010
Total of Free shares awarded	210,125	3,544,176	493,832	667,600	252,000	658,400
• of which corporate officers:	-	225,506	-	2,000	252,000	-
• of which first ten beneficiary employees (excluding corporate officers):	500	447,890	-	54,000	-	500
Delivery date	05/20/2011	03/19/2012 [8] 03/19/2013	Between 01/01/2010 and 12/2018	08/19/2013[8] 08/19/2014	09/22/2013[8] 09/22/2014	12/01/2014
Total number of Free shares (FSAs) awarded adjusted as at 12/31/2014	210,125	3,544,176	493,832	667,600	252,000	658,400
Total number of free shares delivered as at 12/31/2014	150,575	2,972,121	314,033	468,450	248,387	248,900
Total number of free shares canceled as at 12/31/2014	59,550	572,055	179,730	199,150	3,613	409,500
Number of free shares remaining as at 12/31/2014	-	-	69	-	-	-

(1) Conditional options, the exercise of which is contingent on the achievement of objectives under the three-year plan. The achievement level of objectives in the 2003-2005 plan was measured in 2006. The achievement level of objectives in the 2006-2008 plan was measured in 2009.

(2) 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 canceled.

(3) 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. Non-exercisable options were canceled.

(4) Options granted under the Digitas option plans that existed when Digitas was acquired in January 2007 were converted into purchase options on Publicis Groupe shares 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 shares on the date of the merger. The purchase price was adjusted as a result.

(5) This is the plan awarding fifty free shares granted to all of the Group's employee.

Free share plans							
LTIP 2011	2011[5] International employees	LTIP 2012	2013[5] International employees	LTIP 2013	2013 Co-Investment Plan[12]	LTIP 2013-2015	LTIP 2014
04/19/2011	11/21/2011	04/17/2012	02/01/2013	04/16/2013	04/30/2013	06/17/2013	03/20/2014
674,650	533,700	681,550[10]	320,475	636,550	846,288	105,000	639,750
2,000	-	2,000		1,500	28,263	105,000	-
62,000	500	54,000	500	44,000	92,931	-	44,000
04/19/2014[8] 04/19/2015	12/1/2013[9] 12/01/2015	04/17/2015[8] 04/17/2016	02/01/2017	04/16/2016 [8] 04/16/2017	04/30/2016 [8] 04/30/2017	06/17/2016[8] 06/17/2017	03/20/2017[8] 03/20/2018
674,650	533,700	681,550	320,475	636,550	846,288	105,000	639,750
74,607	64,150	-	-	-	-	-	-
172,306	261,950	111,611	114,350	296,775	49,374	14,103	15,875
427,737	207,600	569,939	206,125	339,775	796,914	90,897	623,875

(6) Co-investment Plan offered to 160 key Group managers, of which 136 subscribed.

(7) 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 acquisition.

(8) Concerns French employees, who are subjected to a two-year period of non-transferability.

(9) Concerns Italian and Spanish employees, who are, in addition, subject to a three-year period of non-transferability.

(10) Under the LTIP 2012 plan, 11,965 free shares were granted by the Management Board on July 16, 2012.

(11) The Management Board may decide, before the beginning of the exercise period, to deliver existing shares when the option is exercised instead of delivering shares to be issued.

(12) Co-investment Plan offered to 200 key Group managers.

(13) Concerns French employees.

In addition to the continued employment criteria and the two-year lock-in period for French residents, the Group's share award plans include performance criteria. The two criteria retained are organic revenue growth and operating margin rate compared to that of the benchmark group (IPG, Omnicom, WPP and Publicis Groupe).

- If Publicis Groupe's organic growth is greater than the average of the benchmark group, 100% of the shares are awarded. If organic growth is less than 80% of the benchmark group, no shares are awarded. If organic growth is between 80% and 100%, the number of shares is reduced by 5% for each 1% of performance recorded below 100%;
- If Publicis Groupe has the best operating margin in the sector, 100% of the shares are awarded. If Publicis Groupe is in second place, 50% of the shares are awarded. If Publicis Groupe is in third place, 15% of the shares are awarded and if Publicis Groupe is in last place, no shares are awarded.

These conditions are the same for the annual LTIP plans (the calculation is carried out for the year the shares are awarded), the 2010-2012 and 2013-2015 Management Board Plan (the calculation is carried out for one third of the shares for each of the three years), and for the performance stock options within the 2013 Co-investment Plan (the calculation is made on an average of performance over three years). The 2013 Co-investment Plan comprises securities with a continued employment criterion for 50% of the total award, given the commitment that represents the investment made by each participant in Publicis Groupe and the risk that ensues. However, regarding the members of the Management Board, all of the stock options and free shares for the 2013 Co-investment Plan from which they benefit are subject to performance conditions.

The rate of achieving the performance conditions for 2013, measured by an independent expert end February 2014, was set at 59.7%. The achievement rate for 2014, measured in March 2015, was set at 50%.

The free share awards intended for all employees do not have performance conditions attached.

TABLE 9 (AMF NOMENCLATURE) SHARE SUBSCRIPTION GRANTED TO THE FIRST TEN EMPLOYEES (NON-CORPORATE OFFICERS) AND OPTIONS RAISED BY THE LATTER

	Plan	Number of options granted/ purchased	Weighted average price (in euros)
Options granted between January 1, and December 31, 2014, by the issuer and by any company included in the scope of option allocation to their ten respective employees, whose number of options thus extended is the highest (overall information).	-	-	-
Options held from the issuer and the aforementioned companies, exercised between January 1, and December 31, 2014, by their respective ten employees who bought or subscribed to the greatest number of options (overall information).	LTIP I 2004	17,255	24.82
	LTIP II 2006	51,324	29.27
	LTIP II 2007	30,669	31.31
TOTAL		**99,248**	**29.13**

TABLE 10 (AMF NOMENCLATURE) OTHER INFORMATION CONCERNING THE CORPORATE OFFICERS

Corporate officers	Employment contract	Supplementary pension plan	Indemnities or benefits due or payable on cessation or change in functions	Indemnities under a non-compete clause
Management Board				
Maurice Lévy, Chairman	No	No	No	Yes(2)
Kevin Roberts(1)	Yes	No(2)	Yes(2)	No
Jean-Yves Naouri(4)	Yes	No	Yes(2)	No
Jean-Michel Etienne	Yes	No	Yes(2)	No
Anne-Gabrielle Heilbronner	Yes	No	Yes(2)	Yes(3)

(1) In relation to an employment contract.
(2) See Section 2.2.2 "Compensation of the Management Board" of this document.
(3) A non-compete clause in Anne-Heilbronner's favor was included in her employment contract upon her arrival at the Publicis Groupe in 2012, i.e. before her appointment as a member of the Management Board. This non-compete clause is valid for a maximum of two years and includes maximum financial compensation to be paid equal to 30% of the gross salary, excluding variable elements. Publicis Groupe may waive this clause.
(4) Dismissal from the Management Board on the basis of a decision of the Supervisory Board made on September 15, 2014.

2.2.4 INVESTMENT IN THE SHARE CAPITAL

As at December 31, 2014, no member of the Management Board and the Supervisory Board – with the exception of Élisabeth Badinter and her children (8.67%) – held more than 1% of the Company's shares, with the exception of what is referred to in Section 6.2.1, and Maurice Lévy, who directly or indirectly owns 5,062,707 shares corresponding to 2.29% of the Company's share capital, including 2,920,000 shares held through non-commercial companies owned by Maurice Lévy and his family.

On March 17, 2015, Élisabeth Badinter and her family group sold 2,406,873 Publicis Groupe SA shares to the Company, taking her stake and that of her children to 7.58% of the share capital.

As at December 31, 2014, the members of the Management Board and the Supervisory Board (with the exception of Élisabeth Badinter and her children) directly and indirectly owned 7,492,142 shares, or 3.38% of the share capital of the Company, including 2.29% controlled by Maurice Lévy (see Section 6.2.1).

As at December 31, 2014, the members of the Management Board also owned 212,930 stock options, 56,331 of which are exercisable. The average weighted exercise price of the options ranges between euro 29.27 and euro 52.76 per share and the expiry date of these options is between 2016 and 2023 (see Note 28 to the consolidated financial statements in Section 4.6).

The following table shows the investment of each Supervisory or Management Board member in the share capital of the Company at December 31, 2014 by the number of shares and voting rights, as well as the number of shares that each Supervisory or Management Board member has the right to acquire through the exercise of new stock subscription options and existing stock purchase options.

SHAREHOLDINGS OF MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARDS AT DECEMBER 31, 2014

Member of Management or Supervisory Board	Number of Publicis Groupe shares	Voting rights in Publicis Groupe(1)	Number of shares that may be acquired through the exercise of share subscription options	Number of shares that may be acquired through the exercise of share purchase options		Weighted average price (in euros)
				Total number	Of which conditional options(2)	
Management Board members						
Maurice Lévy(3)	5,062,507	10,046,161		-	-	-
Kevin Roberts	36,037	36,037		73,554	73,554	52.76
Anne-Gabrielle Heilbronner (4)				27,213	27,213	52.76
Jean-Michel Etienne	72,860	110,236		112,163	112,163	40.96
Total Management Board	**5,171,404**	**10,192,434**		**212,930**	**212,930**	**46.55**
Supervisory Board members						
Élisabeth Badinter (5)	19,172,340	38,344,680				
Sophie Dulac	2,169,460	3,921,920				
Claudine Bienaimé	62,400	103,300		45,000	45,000	29.27
Henri-Calixte Suaudeau	65,681	131,362				
Hélène Ploix	9,283	18,233				
Gérard Worms	340	480				
Amaury de Seze	350	700				
Simon Badinter (6)	350	700				
Michel Cicurel	1,000	1,200				
Jean Charest	300	300				
Marie-Josée Kravis	1,400	1,400				
Véronique Morali	500	700				
Marie-Claude Mayer	10,024	16,134		8,074	8,074	29.27
Total Supervisory Board	**21,493,428**	**42,541,109**		**53,074**	**53,074**	**29.27**

(1) Shows the impact of possible duplicate voting rights.
(2) The conditions were taken into account to determine the final number of options definitively granted.
(3) Maurice Lévy directly owns 2,142,507 shares, and indirectly owns 2,920,000 shares of the Company through non-commercial companies, representing a total of 10,046,161 voting rights.
(4) Options allotted prior to Ms.Heilbronner being appointed to the Management Board.
(5) Élisabeth Badinter fully-owns 5,899,320 shares (representing 2.67% of the shares and 4.88% of the voting rights) and has the right to income for 13,273,020 shares with her children owning the ownership shares (representing 6.00% of the share capital and 10.99% of voting rights).
(6) Excluding the 4,424,340 ownership shares held by Simon Badinter.

Note: the bylaws require members of the Supervisory Board to hold at least 200 shares.

2.2.5 TRANSACTIONS PERFORMED ON PUBLICIS GROUPE SECURITIES BY THE CORPORATE OFFICERS AND THE PERSONS RELATED TO THEM

The transactions performed by the corporate officers and the persons mentioned in Article L. 621-18-2 of the French Monetary and Financial Code concerning Company stock during the fiscal year 2014 are as follows:

Name and Surname	Position	Description of the financial instrument	Type of transaction	Number of transactions	Amount of the transactions (in euros)
Maurice Lévy(1)	Chairman of the Management Board	Shares	Exercise of stock options	1	14,616,367
Jean-Yves Naouri(2)	Member of the Management Board	Shares	Exercise of stock options	1	1,099,206
		Shares	Disposal	4	7,947,847
Kevin Roberts	Member of the Management Board	Shares	Disposal	3	1,431,467
Claudine Bienaimé	Member of the Supervisory Board	Shares	Exercise of stock options	1	731,750
		Shares	Disposal	4	837,050
Michel Cicurel	Member of the Supervisory Board	Shares	Acquisition	1	43,256

(1) The transactions referred to in the table do not include the gifts made during the 2014 fiscal year.

(2) End of term of office as Member of the Management Board on 09/15/2014.

On March 17, 2015, Élisabeth Badinter and her family group sold 2,406,873 Publicis Groupe SA shares to the Company. The disposal was carried out at a price of euro 73.0308, *i.e.* a total amount of euro 175,775,861.

2.3 Related-party transactions

2.3.1 TERMS AND CONDITIONS OF FINANCIAL TRANSACTIONS CARRIED OUT WITH RELATED PARTIES

Some members of Publicis Groupe SA's Supervisory Board (Gérard Worms, Michel Cicurel and Véronique Morali) hold management positions in financial establishments that could have business relations with the Company. Hélène Ploix, member of the Supervisory Board of Publicis Groupe SA, was also a member of the Board of Directors of BNP Paribas until May 2014, a financial institution with which Publicis Groupe SA conducts business. Nevertheless, certain members of the Supervisory Board were considered as independent based on the criteria applied by the Company. These independent members were Gérard Worms, Michem Cicurel and Hélène Ploix.

To this end, confirmed credit line agreements were entered into with BNP Paribas and Société Générale in 2009, for a principal of euro 100 million each and a maturity of five years. They were renewed in 2013 for a new period of five years.

On July 13, 2011, Publicis Groupe SA signed a syndicated loan (Club Deal) in the amount of euro 1,200 million with a syndicate of 15 banks. BNP Paribas is the agent for the syndicate and also contributed euro 106 million to this facility. Société Générale also participated for an amount of euro 106 million. This new syndicated loan replaced a previous syndicated loan signed in 2007 to which Société Générale and BNP were also parties.

Additionally, in 2011, Publicis Groupe SA renewed its euro 45 million short-term credit line with Société Générale.

On December 12, 2014, Publicis Groupe SA signed an subscription agreement with several key players including Société Générale within the framework of investing the bonds issued by the Company on December 16, 2014.

Lastly, Publicis Groupe signed a contract on July 3, 2012 with Crédit Agricole Cheuvreux, now Kepler Cheuvreux, to entrust it with the implementation of a liquidity contract covering ordinary shares. This contract, effective for an automatically renewing term of six months, complies with the AMAFI Code of Ethics dated March 8, 2011 and was approved by the AMF on March 21, 2011. This liquidity contract follows a previous contract signed in February 2008 with SG Securities (Paris).

On March 17, 2015, Élisabeth Badinter, with her family group, sold 2,406,873 Publicis Groupe SA shares to the Company for a total of euro 175,775,861, *i.e.* euro 73.0308 per share, representing a 2% discount to the weighted average share price for the five trading days preceding this date and a 4.5% discount to the closing share price on March 16, 2015.

2.3.2 RELATED-PARTY AGREEMENTS CONCERNING THE COMPENSATION OF THE MANAGEMENT BOARD MEMBERS

On March 17, 2008, the Supervisory Board amended the existing contractual commitments relating to compensation, indemnities and benefits that might be due to members of the Management Board upon the termination of their terms of office and duties, mainly to comply 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 these are considered related-party agreements and, as required by the TEPA law, the changes were submitted to the General Shareholders' Meeting of June 3, 2008, where they were approved.

Following the renewal of the Management Board members' terms of office as of January 1, 2012, the Supervisory Board confirmed the existing commitments (while specifying the potential entitlements to free shares) towards Kevin Roberts, Jack Klues and Jean-Yves Naouri on March 6, 2012, and revised the existing agreements with Jean-Michel Etienne. The statutory auditors were informed of the provisions renewed or adopted by the Board as these are considered related-party agreements and, as required by law, the changes were subject to a vote at the General Shareholders' Meeting on May 29, 2012, where they were approved.

The Supervisory Board meeting held on September 15, 2014 terminated the role of Jean-Yves Naouri as a member of the Management Board and appointed a new Management Board consisting of Maurice Lévy, Chairman, Anne-Gabrielle Heilbronner, Jean-Michel Etienne and Kevin Roberts. On March 12, 2015, on proposal from the Compensation Committee, the Supervisory Board confirmed the current commitments to Jean-Michel Etienne and Kevin Roberts, in terms of end-of-term indemnities, by adapting the terms of these commitments to the recommendations of the Afep-Medef Corporate Governance Code and authorized, for Anne-Gabrielle Heilbronner, the signing of a commitment for the payment of indemnities in the event of a termination of her functions as a member of the Management Board. These commitment were notified to the statutory auditors as related-party agreements to be put to the vote at the next General Shareholders' Meeting. These agreements are discussed in detail in Section 2.2.2 of this document.

The information related to the agreements referred to in Article L. 225-86 of the French Commercial Code and signed by the Company can be found in the Company's 2013, 2012 and 2011 Registration Documents:

- 2013: this document was filed with the AMF on April 4, 2014, (under no. D. 14-0293) on page 45;
- 2012: this document was filed with the AMF on April 12, 2013, (under no. D. 13-0343), on page 87;
- 2011: this document was filed with the AMF on March 19, 2012, (under no. D. 12-0174) on page 73.

2.3.3 RELATED-PARTY TRANSACTIONS

Publicis Groupe SA did not carry out any transactions with related parties in 2014.

The following related party transactions occurred in the last three years (in millions of euros):

Year	Related company	Revenue with related parties[1]
2011	Dentsu	5
2012	None	0
2013	None	0

(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 parties.

The outstanding amounts with related parties in the balance sheet as at December 31, 2014 were as follows (in millions of euros):

	Receivables/loans on related parties	Liabilities to related parties
Somupi	3	-

2.3.4 STATUTORY AUDITORS' REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS

To the Shareholders,

In our capacity as statutory auditors of your company, we hereby report on certain related party agreements and commitments.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements and commitments indicated to us, or that we may have identified in the performance of our engagement. We are not required to comment as to whether they are beneficial or appropriate or to ascertain the existence of any such agreements and commitments. It is your responsibility, in accordance with article R. 225-58 of the French commercial code *(Code de Commerce)*, to evaluate the benefits resulting from these agreements and commitments prior to their approval.

In addition, we are required, where applicable, to inform you in accordance with article R. 225-58 of the French commercial code *(Code de commerce)* concerning the implementation, during the year, of the agreements and commitments already approved by the general meeting of shareholders.

We performed those procedures which we considered necessary to comply with professional guidance issued by the national auditing body *(Compagnie nationale des commissaires aux comptes)* relating to this type of engagement. These procedures consisted in verifying that the information provided to us is consistent with the documentation from which it has been extracted.

AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL BY THE GENERAL SHAREHOLDERS' MEETING

Agreements and commitments authorized during the past financial year

In accordance with article L. 225-88 of the French commercial code *(Code de commerce)*, we have been advised of certain related party agreements and commitments which received prior authorization from your Supervisory Board.

SUBSCRIPTION AGREEMENT WITH SOCIÉTÉ GÉNÉRALE

Member of the Supervisory Board involved: Mr. Michel Cicurel

On December 12, 2014, Publicis Groupe SA signed an subscription agreement with several key players including Société Générale within the framework of investing the bonds issued by the Company on December 16, 2014 with two tranches, one of 600 million euros and one of 700 million euros, maturing in 2024 and 2021, respectively.

Mr. Michel Cicurel is a member of the Supervisory Board and a director of Société Générale, the subscription agreement entered with Société Générale fall under article L. 225-86 of the French commercial code *(Code de commerce)*, and require the prior authorization of the Supervisory Board, which authorization was granted by the Supervisory Board at its meeting of December 1, 2014.

The subscription agreement, authorized by the Supervisory Board, states the payment by Publicis Groupe a total commission maximum of 0.275% of the principal amount of the seven years bonds and of 0.30% of the principal amount of the ten years bonds.

This agreement is subject to approval of the General Shareholders' Meeting of May 27, 2015.

Agreements and commitments authorized since the beginning of 2015

We have been advised of certain related party agreements and commitments which received prior authorization from your Supervisory Board since the beginning of 2015.

A. COMPANY AGREEMENTS AND COMMITMENTS WITH THE MANAGEMENT BOARD MEMBERS

Management Board member involved: Mr. Kevin Roberts

The Supervisory Board held on March 12, 2015 amended the commitments with Mr. Kevin Roberts in terms of end-of-term indemnities by adapting the terms of these commitments to the recommendations of the Afep-Medef Corporate Governance Code.

The current commitments state that in the event of a forced departure due to a change in control or strategy and other than in the case of serious or gross misconduct, Mr. Kevin Roberts would be entitled to a termination benefit if this departure should occur before the normal term (General Shareholders' Meeting called to approve the 2016 financial statements).

The benefit would be equal to 120% of his annual fixed salary, to which would be added the maximum annual amount of the target bonus to which he would have been entitled and the annual cost of various benefits which he receives, as well as maintaining his social security insurance protection for one year and the right to exercise the stock options and/or to purchase the shares that have been awarded to him, and to retain the free shares already granted to him, subject to the performance conditions set out in the regulations for the free share award plan in question.

The termination benefit would only be due in its full amount if the average annual amount of the bonus acquired by Mr. Kevin Roberts for the three years prior to 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 benefits will be due. If the average annual amount is between 25% and 75% of the "target bonus", the payments and benefits will be calculated on a proportional basis between 0% and 100% using the rule of three.

The termination benefit may only be paid after the determination by the Supervisory Board that the performance conditions had been achieved at the date on which his term as a member of the Management Board ended.

This commitment is subject to approval of the General Shareholders' Meeting of May 27, 2015.

Management Board member involved: Mr. Jean-Michel Etienne
The Supervisory Board held on March 12, 2015 amended the commitments with Mr. Jean-Michel Etienne in terms of end-of-term indemnities by adapting the terms of these commitments to the recommendations of the Afep-Medef Corporate Governance Code.

The current commitments state that in the event of a forced departure due to a change in control or strategy and other than in the case of serious or gross misconduct, Mr. Jean-Michel Etienne would be entitled to a termination benefit if this departure should occur before the normal term (September 15, 2018).

Providing that Mr. Jean-Michel Etienne does not continue to be employed by Publicis Groupe, the amount of the benefit would be equal to one and a half years' total gross compensation (fixed compensation and target variable component). He would also have the right to exercise the options to subscribe to and/or to purchase the shares that have been awarded to him, and to retain the bonus shares already granted to him, subject to the performance conditions set out in the regulations for the plan in question being satisfied.

The termination benefit would only be due in its full amount if the average annual amount of the bonus acquired by Mr. Jean-Michel Etienne for the three years prior to 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 benefits will be due. If the average annual amount is between 25% and 75% of the "target bonus", the payments and benefits will be calculated on a proportional basis between 0% and 100% using the rule of three.

The termination benefit may only be paid after the determination by the Supervisory Board that the performance conditions had been achieved at the date on which his term as a member of the Management Board ended.

This commitment is subject to approval of the General Shareholders' Meeting of May 27, 2015.

Management board member involved: Mrs. Anne-Gabrielle Heilbronner
The Supervisory Board held on March 12, 2015 authorized for Mrs. Anne-Gabrielle Heilbronner the signing of a commitment for the payment of indemnities in the event of a termination of her functions as a Member of the Management Board.

The current commitments state that in the event of a forced departure due to a change in control or strategy and other than in the case of serious or gross misconduct, Mrs. Anne-Gabrielle Heilbronner would be entitled to a termination benefit if this departure should occur before the normal term (September 15, 2018).

Providing that Mrs. Anne-Gabrielle Heilbronner does not continue to be employed by Publicis Groupe, the amount of the benefit would be equal to one year total gross compensation (fixed compensation and target variable component). She would also have the right to exercise the options to subscribe to and/or to purchase the shares that have been awarded to her, and to retain the bonus shares already granted to her, subject to the performance conditions set out in the regulations for the plan in question being satisfied.

The termination benefit would only be due in its full amount if the average annual amount of the bonus acquired by Mrs. Anne-Gabrielle Heilbronner for the three years prior to the termination of her duties is equal to at least 75% of her "target bonus". If the average annual amount is less than 25% of the "target bonus", no sum or benefits will be due. If the average annual amount is between 25% and 75% of the "target bonus", the payments and benefits will be calculated on a proportional basis between 0% and 100% using the rule of three.

The termination benefit may only be paid after the determination by the Supervisory Board that the performance conditions had been achieved at the date on which his term as a member of the Management Board ended.

This commitment is subject to approval of the General Shareholders' Meeting of May 27, 2015.

B. PURCHASE OF PUBLICIS GROUPE OWN SHARES FROM MRS. ÉLISABETH BADINTER

Members of the Supervisory Board involved: Mrs. Élisabeth Badinter and Mr. Simon Badinter
The Supervisory Board held on March 12, 2015 authorized the acquisition by Publicis Groupe of its own shares from Mrs. Élisabeth Badinter for a maximum of 2,500,000 shares, at a price equal to the weighted average share price for the five trading days preceding the sale agreement with a 2% discount, with respect to the closing price quoted at the sale agreement conclusion.

This transaction was authorized by the Supervisory Board, in accordance with the provisions of Articles L. 225-86 *et seq.* of the French Commercial Code *(Code de commerce)* and was carried out as part of the buy-back program approved by the General Shareholders' Meeting held on May 28, 2014.

The acquisition of the aforesaid shares was carried out on March 17, 2015 for a total 175,775,861 euros, at a price of 73.03 euros per share.

This agreement is subject to approval of the General Shareholders' Meeting of May 27, 2015.

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE GENERAL SHAREHOLDERS' MEETING

In accordance with article L. 225-57 of the French commercial code *(Code de commerce)*, we have been advised that the implementation of the following agreements and commitments which were approved by the general meeting of shareholders in prior years continued during the year.

A. CREDIT AGREEMENTS WITH BNP PARIBAS AND SOCIÉTÉ GÉNÉRALE

Members of the Supervisory Board involved: Mrs. Hélène Ploix and Mr. Michel Cicurel

Your Supervisory Board, at its meeting of June 9, 2009, authorized the signing of an agreement with BNP Paribas, Calyon, Citigroup and Société Générale on revolving credit lines of euro 100 million each, valid for five-years period. This agreement was approved during the general meeting of June 1, 2010.

Your Supervisory Board at its meeting of July 17, 2013 authorized the early renewal of the four existing credit lines of euro 100 million each, with BNP Paribas, Société Générale, Crédit Agricole Corporate and Investment Bank and Citibank International Plc, which expired on June 30, 2014.

These four lines of credit were renewed for a five-years period, expiring on July 17, 2018, on more favorable terms.

The objective of these renewals is to maintain the group's liquidity at a high level of security.

As Mrs. Hélène Ploix is a member of your Supervisory Board and a director of BNP Paribas and Michel Cicurel is a member of the Supervisory Board and a director of Société Générale, the credit agreement entered into with BNP Paribas and the credit agreement entered into with Société Générale fall under article L. 225-86 of the French commercial code *(Code de commerce)*, and require the prior authorization of the Supervisory Board, which authorization was granted by the Supervisory Board at its meeting of July 17, 2013.

This agreement was approved by the General Shareholders' Meeting of May 28, 2014.

B. NON-COMPETE AGREEMENT TO THE CHAIRMAN OF THE MANAGEMENT BOARD, MR. MAURICE LÉVY

Mr. Maurice Lévy undertakes to, for at least three years following the termination of his position as chairman of the management board of Publicis Groupe, for any reason whatsoever, to refrain from working in any capacity whatsoever for a company operating in the field of advertising, and more generally with a competitor of Publicis, or from investing in a competitor of Publicis.

In consideration for this commitment, Mr. Maurice Lévy shall receive a sum equal to 18 months of his total gross compensation (fixed salary and maximum variable compensation as widened in 2008). This sum shall be paid to him in equal monthly payments. These payments must be refunded should Mr. Maurice Lévy fail to comply with the commitment.

The agreement was approved by the General Shareholders' Meeting of June 3, 2008.

C. COMPANY AGREEMENTS AND COMMITMENTS TO THE MANAGEMENT BOARD MEMBER, MR. JEAN-YVES NAOURI

The Supervisory Board on March 6, 2012 confirmed the existing contracts and agreements while specifying the potential entitlements to free shares.

The agreements in force between Publicis Groupe Services and Mr. Jean-Yves Naouri provide that if his term of office as a member of the management board of Publicis Groupe is terminated "without just cause" Mr. Naouri may have the right, if he does not continue to be employed by the Publicis Groupe, to receive one year of total gross remuneration (base compensation and maximum variable component) and the right to exercise the stock options and/or to purchase the shares that have been awarded to him, and to retain the free shares already granted to him, subject to the performance conditions set out in the regulations for the free share award scheme in question.

These amounts and benefits shall only be due in full if the average annual amount of the bonus earned by Mr. Naouri for the three years prior to 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 due. If the average annual amount is between 25% and 75% of the "target bonus", the amounts and benefits will be calculated proportionally between 0 and 100% using the rule of three.

The agreement was approved by the General Shareholders' Meeting of May 29, 2012.

After the decision by the Supervisory Board on September 15, 2014, to terminate the role of Jean-Yves Naouri as a member of the Management Board, and his dismissal on October 1, 2014, no lump-sum severance payment related to this commitment was made to Jean-Yves Naouri as at December 31, 2014, other than the legal and conventional dismissal payments.

D. SYNDICATED LOAN (CLUB DEAL) WITH BNP PARIBAS AND SOCIÉTÉ GÉNÉRALE

Members of the Supervisory Board involved: Mrs. Hélène Ploix and Mr. Michel Cicurel

The Supervisory Board on June 7, 2011 authorized, in accordance with the provisions of articles L. 225-86 *et seq.* of the French commercial code *(Code de commerce)*, the agreement on a syndicated loan (Club Deal) in the amount of euro 1.2 billion valid for a five-years period in particular with BNP Paribas and Société Générale. Mrs. Hélène Ploix and Mr. Michel Cicurel are respectively members of the board of directors of BNP Paribas and Société Générale; and both members of the Supervisory Board of Publicis Groupe.

The agreement was approved during the General Shareholders' Meeting of May 29, 2012.

Paris-La Défense and Courbevoie, April 3, 2015

The statutory auditors

French original signed by

ERNST & YOUNG et autres		MAZARS	
Vincent de La Bachelerie	**Christine Staub**	**Loïc Wallaert**	**Anne-Laure Rousselou**

2.4 Corporate Social Responsibility (CSR)

2014 marked the end of a second cycle, focusing on stabilizing the Publicis Groupe CSR strategy. (2009/2010/2011: CSR reporting building phase; 2012/2013/2014: consolidation and integration phase, and external audits)

Significant progress has been made in six years, in three areas: firstly, the Group's agencies have embraced CSR; secondly, all quantitative and qualitative indicators have been strengthened to enable more reliable monitoring of the projects and progress made; lastly, these activities have been thoroughly consolidated to ensure more fruitful cooperation in terms of shared experiences and initiatives. However, much remains to be done in different areas, in terms of both methods and outcomes.

The Publicis Groupe CSR report focuses on four major areas: Social, Cultural/Communities, Governance & Ethics, and Environment.

2014 was the third fiscal year checked by independent external auditors. In accordance with its internal objectives, the Group continued to extend the scope of its external audits; SGS was tasked with auditing and verifying 54 agencies (on-site audits) as well as the entire Group consolidated scope. A more detailed version of the 2014 CSR report is published separately as in previous years (available at www.publicisgroupe.com).

This non-financial report was prepared according to the directions set out by Decree 2012-557 dated April 24, 2012, based on Article 225 of the Grenelle II Act, 2010-788 dated July 12, 2010 pertaining to corporate social and environmental transparency obligations, and it covers 2014 (January 1 - December 31, 2014).

Starting in 2009, Publicis Groupe has voluntarily chosen to follow the Global Reporting Initiative – (GRI – www.globalreporting.org) indicators and standards by taking into account the GRI G4 indicators. The Group has been a signatory of the UN Global Compact since 2003 (www.unglobalcompact.org), and has chosen to abide by ISO 26000 (www.iso.org) guidelines in order to improve its CSR reporting in relation to the way stakeholders are taken into account. Publicis Groupe became a signatory to the United Nations "Caring for Climate" initiative in 2007, and has also been endorsing the CDP on a voluntary basis since 2009 (www.cdp.net) to contribute to the general effort to reduce greenhouse gas emissions.

METHODOLOGICAL FRAMEWORK

Preparing the CSR report is complex and hinges on two converging flows of internal data, in addition to analysis carried out by the Group's networks, according to their priorities and outcomes, which serves as basis for the annual review.

- Quantitative data are collected in accordance with financial reporting rules and processes, via the financial information system across 750 entities* in the dedicated module (HFMCSRGRI). These data are the responsibility of the network Financial Directors;
- Qualitative data are collected via a dedicated internal tool (NORMA), accessible to all of the agencies, which are thus able to present their initiatives in a central tool. Qualitative data are placed under the responsibility of the Human Resources Directors of the networks;
- Both of these tools are combined in order to ensure consistency and run materiality tests.

Prior to the reporting process, the shared services center teams (Re:Sources) are closely involved throughout the process, especially during the preparatory phase of data collection. An internal guide titled "2014 CSR Guidelines", drafted each year based on the improvements made to CSR reporting, sets out all collection and validation processes at the different levels, as well as the content of the various indicators taken into account (over 90 quantitative and qualitative indicators). This manual was distributed to a cross-functional working group attached to the CSR reporting process (close to 150 members throughout the various networks). It was also presented during webinars sessions in November and December 2014 during the preparation stage (over 850 participants).

All of the quantitative data and qualitative information are then checked and analyzed by the Group CSR department, which coordinates and carries out the consolidated reporting. This department is supported by an internal CSR Steering Committee consisting, whose members hold key corporate functions. Moreover, the Internal control teams make sure during their assignments that agencies correctly implement the CSR reporting processes.

* *Entities are Group agencies named after one of the Group's networks and linked to it, based in different locations within the same town; entities also comprise Shared Service Centers (SSC), mainly based in different locations to the agencies.*

Reporting scope: The 2014 CSR report covers 98% of Group employees which is similar to previous years. (2% = most recent acquisitions still undergoing integration.) For certain indicators, the 2014 coverage rate [*2014 CR] was recalculated with certain exclusions to include the entities that had complied with the indicator, for improved robustness. SGS' mission included on-site audits in 54 agencies in six countries (United States, United Kingdom, France, Germany, Brazil and China), accounting for 32% of employees, representing a wider scope of work compared to 2013 (25%). Random controls on quantitative and qualitative indicators were carried out; audits were performed across all indicators in the final consolidation phase. The SGS external assurance report can be found at the end of this chapter.

Note: *This chapter regularly makes reference to other parts of this Registration Document for more comprehensive information.*

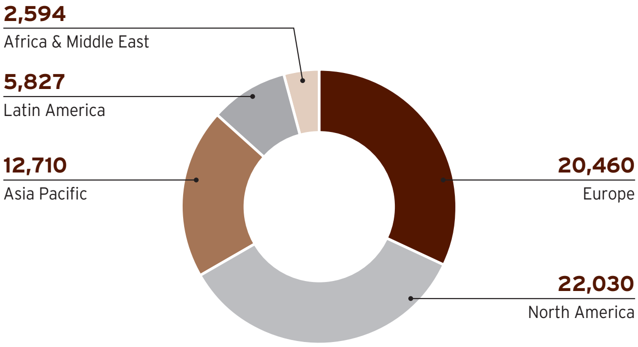
2.4.1 CORPORATE

2.4.1.1 TEAMS: KEY FIGURES

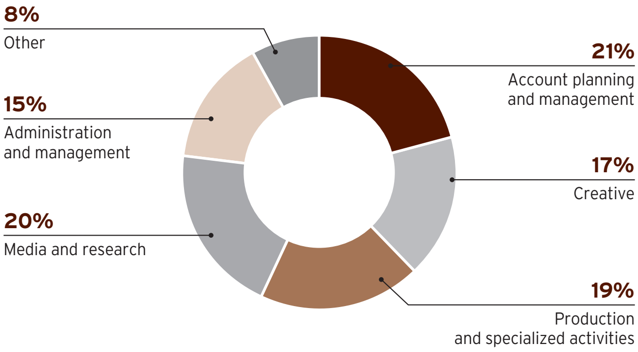
Publicis Groupe, the third-ranked global communications group, is present in 108 countries.

2014 Headcount: 63,621 employees (62,553 in 2013).

- Geographical distribution



- Breakdown by main job category and functions



- The Group's staff turnover was 33.1% (*2013: 30.5%*). (*The staff turnover rate is the total number of departures for the year divided by the annual average number of employees.* NB: *due to their activities, some entities are subject to a high turnover, which does not reflect operations of the agencies.*)

  This rate remained high, in an industry with high turnover rates for structural reasons, albeit with significant differences between agencies and, most significantly, between countries. Over the last few years, features specific to digital activities have come into the mix; such activities often have very high staff turnover rates.
- Employment: total headcount is 63,621 employees. The Group now reports this change under the terms 'arrivals' and 'departures' (instead of new employees and terminations), as this better reflects actual operations and staff movements.
  - arrivals: there were 25,078 arrivals in 2014 (*2013: 24,415 arrivals*). No net recruitments in 2014 based on the number of departures. (2013: 301 jobs were created – 'net' recruitments, *i.e.* excluding acquisitions). The Group remained a net job creator in several countries, such as the United States, Latin America (Argentina, Costa Rica, Guatemala, etc.), in Asia (Hong Kong, Vietnam, Singapore, New Zealand, Australia etc.) and in Europe (Germany, Sweden, Romania, etc.),
  - departures: 27,025 departures (*2013: 24,114 departures*). The number of departures in 2014 was mostly due to the closure of the Yong Yang agency in China, as well as to the constant adjustment of staff numbers based on business, in particular Razorfish, following the occasional loss of key accounts.

- The Group's absenteeism rate was estimated at 2% (*2013: 2%*). (*The absenteeism rate is equal to the total number of days lost for reasons other than paid leave or maternity/paternity leave, divided by the total number of business days in the year*). This absenteeism rate remained stable and is standard with regard to the Group's activities.

The Group's employee contracts are drawn up according to local laws and regulations for permanent contracts or temporary contacts, or contracts freelance. Within the agencies, work is often organized based on project management requirements and in line with customer needs.

Communication is part of intellectual services activities and requires high levels of responsiveness, availability and speed for the clients needs, even more so as working methods have become increasingly digitized. Time management is another growing challenge faced by employees and managers who must both incorporate flexibility into their schedules to better serve customers who are facing the same issues.

Health and Security

- 100% of employees are covered by some form of social security (social security health insurance), irrespective of local social security provisions (state, state-company-employee or private company-employee contribution plans, self-funded, etc.);
- The workplace accident rate [1] was estimated at 0.4% (*2013: 0.4%*), the main causes of workplace accidents were related to transportation (home-work commuting and work-related travel). The estimated accident frequency [2] and severity rate [3] were 1.93 and 0.03 respectively;
- In terms of preventative health measures and occupational illness prevention, in addition to the standard practices, such as seasonal vaccinations or support of national screening initiatives and disease-specific campaigns, the agencies have rolled out many different initiatives to prevent occupational stress (and/or psycho-social risks (PSR)) and muscular-skeletal disorders (MSD). The vast majority of employees work sitting in front of a screen and are therefore rather sedentary, with intense use of their vision, often across multiple screens. In recent years, local network and agency management has committed to more comprehensive programs to better address stress prevention (and stress factors), and more generally, to prevent health problems in response to specific needs (posture and healthy lifestyle). Many actions were implemented and adapted to meet expectations: an ergonomist came on site to sensitize employees to the impacts of problematic seated working postures, sometimes leading to changes of equipment; where possible, massages were also offered several times during the year by health professionals (physiotherapist, chiropractor, masseur, etc.), eye exercises were promoted by a specialist (orthoptist, etc.) and webinars were held to raise awareness on how to make the eyes work or rest; fitness (or yoga, relaxation, etc.) classes were available at the agency in the lunch hour (or through exclusive access to local gym clubs, or even in certain buildings hosting the agencies, or nearby facilities); interviews with nutritionists, even fresh fruit and juice was on offer. For the real athletes, groups were set up for running and bike races (even marathons and half marathons) or to play various team sports. Agencies have created quantitative and qualitative indicators to measure "wellbeing" and "quality of life" at work. However, the level of inconsistency is significant and makes it hard to keep track of the figures. Over the last several years, there has been an increasing number of activities which have become part of the agency's ordinary business operation;
- Preventative health measures are occasionally subject to specific conditions in countries with collective or occupational agreements. All employees in these countries benefit from these collective or occupational agreements where such agreements exist.

(1) *Work accident rate [*2014 cr = 91%].*

(2) *Calculation of work accident frequency rate: total lost days of work multiplied by 1,000,000, divided by actual worked hours for the year [*2014 cr = 91%].*

(3) *Calculation of work accident severity: total lost hours of work multiplied by 1,000, divided by actual worked hours for the year [*2014 cr = 91%].*

2.4.1.2 DIVERSITY POLICY

Non-discrimination has always been an integral part of the Group's Principles and Values, and has regularly been upheld and affirmed as crucial to Publicis Groupe in several internal documents, in particular Janus (the internal Code of Ethics) and the Code of Conduct (public extract can be viewed at www.publicisgroupe.com).

Teams in every country are naturally multicultural, and employee profiles (training, background, experience, etc.) are richly diverse. A proactive policy is nonetheless still necessary. The Group has defined eight priorities on which to concentrate its efforts (one more compared to previous years) in order to promote diversity within its teams: gender equality, age, disability, culture and ethnicity, education, sexual orientation, religious practices and veteran status. The agencies carry out initiatives shaped around these priorities in accordance with local regulations or good practice, either alone or in partnership with other agencies. Monitoring the integration of disabled employees remained an area impossible to quantify at Group level, due to the different regulations applicable to this type of personal information. Unfortunately, French entities are still far from meeting legal requirements, which is not satisfactory.

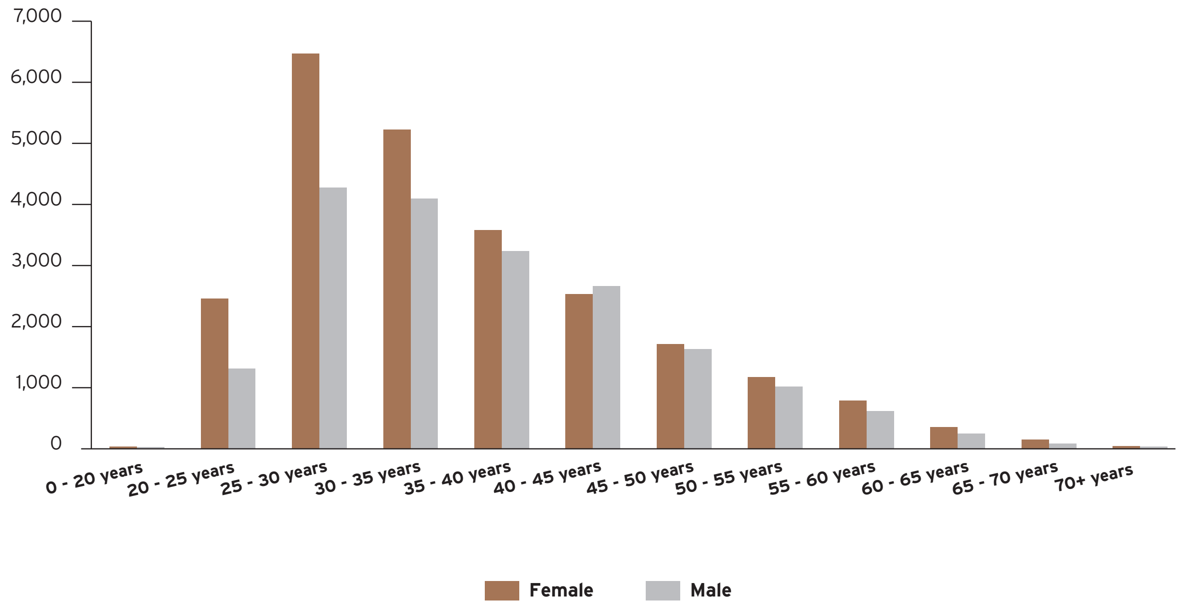
The approach adopted in the United States and France is presented by way of example, as an indication of the tangible activities in this area.

Gender equality in the Group

- Total headcount: 52.3% women - 47.7% men (*2013: 53.4% - 46.6%*);

  The headcount remained balanced; however, digital agencies are mainly composed of men;
- Agency Management Committees: 39% women (*2013: 39%*);

  (Figures calculated at agency or entity management level);
- Network Management Committees (*calculated at the Group network management level*): 26% women (*2013: 32%*); this figure has been affected by the growing importance of digital activities, whose Executive Committees comprise fewer women, and by reorganizations at the top level of certain networks, with resizing of the Executive Committees. Therefore, it is difficult to make comparisons with 2013;
- The Publicis Groupe Supervisory Board, chaired by Élisabeth Badinter, comprised 14 members (50% women - 50% men), until the passing of Michel Halpérin;
- Both chaired by Maurice Lévy, the Management Board comprised four members – one woman and three men (25% female) –, and the "Management Board +" consisted of two women and six men (25% female) in 2014. The Group Executive Committee "P12" is a forum for discussion, strategic exchanges and operational coordination. In 2014, it had 18 members, including two women (11%). (*See Sections 2.1.2 and 2.1.3 of this document*);
- Average employee age: 35 years; 35 years for men - 34 years for women (*2013: 35 years M - 34 years W*);
- Age pyramid: it is only indicative, as this year it was calculated on just 70% of employees (using the P-Talent in-house tool), with a part of staff from digital activities not accounted for.



- Group internal networks, inter-agency:
  - **VivaWomen!:** is the Group's internal women's network. At the end of 2014 it covered 9 countries and 18 cities. Initiated by the Group CSR department at the end of 2011 incorporating all the Group's networks, it spreads across large cities, from Los Angeles to Shanghai, via Mumbai, Madrid, Paris, London, New York and Chicago as well as Toronto and Sao Paulo. VivaWomen! now brings together over 2,500 voluntary, motivated female employees of the Group to take action and support other women in the Group, regardless of their position or function within the Company. Its primary objective is to promote the professional and personal development of women in an environment of gender cooperation. The four mutual key areas are shared: 1) Leadership, 2) Mentoring, 3) Professional Development and 4) Work-life Balance. A dedicated team oversees the activities in each city, in accordance with its own roadmap and local priorities. This network also took part in external activities with other intra- or inter-company women's networks defending the rights of women and girls. The agencies have embraced VivaWomen! and built mini networks on a local scale to team up on certain projects. In addition to this internal program, Publicis Groupe is involved in various institutions and local non-profit organizations dealing with themes relating to gender equality, such as the Laboratoire de l'égalité (Equality Laboratory) in France as well as other similar local organizations. Lastly, inspired by VivaWomen!, delegations of Group female employees attend international conferences, such as the Women's Forum in Deauville, as well as other local and national meetings,
  - ***Égalité:*** this network was launched three years ago in the United States. It brings together agency employees supporting LGBT (Lesbian, Gay, Bisexual and Transgender) causes and is supported by the Group CSR management team. All agencies have now joined this network which is present across all the main cities in the United States, from Boston to Los Angeles. In addition, *Égalité* started a new chapter in London in 2013. *Égalité* also serves as an internal resource (as an ERG – Employee Resource Group). Each year, a Group delegation attends the Work & Equal Workplace Summit in the United States. Lastly, *Égalité* also operates as an external expert on LGBT issues, in particular as regards certain clients.

Diversity policy in the United States

American regulations strongly encourage the active promotion of diversity. The Group Diversity Council brings together the various network managers in charge of Diversity & Inclusion activities. It meets quarterly to share best practice and organize joint workshops and activities. In parallel, each network keeps its autonomy when carrying out local or very specific actions based on their hiring and business needs.

The Group continued to pursue the activities launched in recent years, for instance its participation in programs such as Ad Color Awards (ethnic diversity), Most Promising Minority Student (program for ethnic diversity in the advertising industry), Black Enterprise Women of Power Summit (African-American women), or SAMMA (South Asians in Media, Marketing and Entertainment), a program supporting communities of Asian background.

Many agencies have established ERGs (Employee Resources Group), adapted to meet the needs of their employees. Some are inter-agency, such as the MOCA (Men of Color Alliance), launched in 2013. Other ERGs, for instance Black Employee Summit Attendees (BESA), and Link (for African-American employees); or Adelante (The Latin Culture Group) and Hola (for Hispanic employees); Panasian (for employees of Asian origin), or MERG (Multicultural Employee Resource Group), have been active throughout the year. The challenges and objectives are still the same: within the Group, to support employees from varied backgrounds in their professional development; and from outside the Group, raise awareness regarding the many different profiles and talents that can be found within the Group.

Employee relations and Diversity policy in France

The Group continued its activities in France, in particular with a view to facilitating access to and retention of employment, irrespective of age, by promoting the transfer of knowledge and skills. Negotiations around the "generation contract" should lead to an agreement very soon, focusing on: training and long-term employment for young people and developing career opportunities for older employees.

The Group implemented two collective agreements in the different entities – one on health, life and disability insurance, and another on the reimbursement of medical expenses.

With respect to diversity, the Group pursued its relationship with several associations such as:

- the "Baisser les barrières" association, which helps people with visual disabilities throughout their university studies as well as in joining the workforce;
- the "Nos quartiers ont des talents" association helps young graduates raised in sensitive "priority districts" or from socially-disadvantaged backgrounds to find employment;
- the association "B.A.ba Solidarité" of which the Group is a founding member. This private initiative inter-company non-profit organizations brings together companies wanting to promote access to reading and writing in-house and fight employee illiteracy by implementing actions throughout the Group, primarily aimed at cleaning personnel.

2.4.1.3 TRAINING, ASSESSMENT AND EMPLOYEE RELATIONS POLICY

Training

- 63% of employees received training [*2014 cr = 87%], an increase (*2013: 57%*) which reflects the effort made to train the teams in spite of high personnel turnover;
- Over 1 million training hours were delivered in 2014 through approximately 4,200 sessions (*2013: 3,600 sessions*). E-learning (or self-learning) remained very significant and appropriate for certain types of training, in particular all digital activities; face-to-face training is still important, as interactions are different. The total breaks down as follows:
  - 829,000 hours of face-to-face training (*2013: 100,450 days of approximately 8 hours, stable year-on-year*),
  - 275,000 hours of e-learning (*2013: 174,000 hours*).

Training remains a key area of work for network Human Resources Directors. The Group's employees, irrespective of their activities, have access to different types of programs to ensure their advancement and regular professional development. Improving the skills level in the digital field (basic skills and multiple fields of expertise) is at the core of these programs. Virtually all agencies provide continuous training for employees to learn and master all new digital applications and uses (across all jobs). The goal is to ensure that each employee is able to acquire basic know-how, by familiarizing themselves with rudimentary coding or understanding the operation of the major digital platforms the Group has partnered with. The boom in mobile device usage and the new challenges of interconnectivity (connected objects) have led the agencies to organize continuous education on mobile and digital topics. Lastly, a number of modules have been developed to work with data (big data and data mining), so that teams may better face the issues, opportunities and challenges brought about by these new disciplines and fields of expertise. The traceability of e-learning is still difficult at times, because there are a lot of modules and the pace of change is very quick. The concept of in-house skill sharing is part of the spirit of cooperation between teams.

In parallel, the agencies are continuing their efforts to offer support around the themes of management and leadership, as well as the challenges of corporate culture. The constant development of agency culture is a true management issue, taking into account the high staff turnover and the radical changes affecting certain businesses. Management and leadership are essential topics, as management practices are bound to evolve and managers must adapt and support their teams in an ever-changing environment. Lastly, creativity, and its driving force associated with digital media, remains a key area for young and old alike, who need to be encouraged and assisted in growing their pool of resources. More conventional training (languages, presentation techniques, learning to establish a fruitful cooperation with clients, but also new writing formats, or further studies in functional subjects such as finance or human resources, etc.) is included in the training program offered to junior roles.

Lastly, greater attention was paid to regulatory themes (or self-regulation) and data protection.

Employee assessment

65% of employees had an annual assessment [**2014 cr: 87%*]. This lower rate (*2013: 69%*) is in line with the Group's turnover rate. Employees are obligated to attend a performance review meeting in line with the internal human resources regulations set out in the Janus Code of Ethics. However, some agencies run the assessments over a longer period of time (18 months). Moreover, in order to take into account the rapid changes in our digital activities, some agencies are testing other assessment models, more frequent and slightly different in nature, in order to better monitor the development of employees.

Employee relations

Janus clearly highlights the need to foster dialogue and listen to employees. The medium size of agencies (between 50 and 100 people) allows for simple and frequent exchanges between managers and their teams regarding Company matters and projects in progress.

The Group also fully respects the fundamental rights of freedom of association and negotiation. Employee representative bodies and employees in general are regularly consulted on and informed of projects and developments affecting their agencies and the Group. (*See Chapter 1, "Diversity, France"*).

2.4.1.4 EMPLOYEE SATISFACTION SURVEYS

Approximately 50% of the total headcount took part in an internal survey (people survey or climate survey) (*2013: 58%*). The difference between 2013 and 2014 is normal, as some large networks did not carry out an internal survey in 2014. The networks are free to decide as to whether to conduct an internal survey, as some matters are shared and can be tracked across the Company. Some networks have a long-standing tradition of conducting regular consultations every year or every other year, and other networks wait more than two years before conducting this type of survey; this makes it difficult to make year-on-year comparisons. Lastly, some agencies have also been able to conduct very local surveys. The common goal is, of course, the same: to regularly consult the employees.

2.4.1.5 COMPENSATION POLICY

All of the information pertaining to the compensation of Publicis Groupe senior executives is detailed in Section 2.2 of this document. (Note: *Publicis Groupe stock option plans and free share plans are detailed in Chapter 4, Note 28.*)

Permanent and temporary Group employees in every agency have an employment contract in compliance with local labor laws. The Group does not have a consolidated indicator for the compensation of all employees because the variations between countries mean that comparisons are of little relevance. Thus the approach remains local. It takes industry trends into account, ensuring, at the same time, that the following criteria are met: on the one hand, preserve competitiveness and appeal on a local level and operate in line with Group practices and, on the other hand, avoid inequalities within the same market. Lastly, where appropriate, strengthen social security.

It is not possible to present an overall assessment of wage trends, in light of the Group's strongly decentralized organization. France can be looked at by way of example. In France, the Group continues to pursue a development policy in regards to profit-sharing and employee savings schemes. 2014 gave the Group the opportunity to prove its willingness to work with the employees in order to improve its economic performance. A profit-sharing agreement had been signed for 2013, 2014 and 2015. (The amount of this premium is determined based on organic growth in France and globally). In addition, the Group encourages its entities to promote employee savings by improving the conditions of the existing savings schemes. Each year, the entities offer additional employer's contributions: in 2014, 2,750 employees in France benefitted from these contributions.

With regard to gender pay equality, the Group has always held up as a fundamental principle equal pay between men and women for equal skills and work. The Group and management remain on the lookout to ensure its application in practice, including in crisis periods.

2.4.1.6 HUMAN RIGHTS POLICY

Publicis Groupe is a signatory to the United Nations' Global Compact and is committed to remaining vigilant on these fundamental issues.

The Janus Code of Ethics compels managers and their teams to abide by local laws and regulations, and refers to the fundamental principles of the International Labor Organization (ILO), paying special attention to gender equality in terms of employment and compensation, the scope and effectiveness of social security and improved employee relations.

Taking into account its services activities, the Group believes that the best way to effectively tackle these issues, in a concrete and tangible manner, is to use its know-how to serve this cause. Pro-bono campaigns (see below) in support of organizations or general interest causes promoting the human rights of women, men and children and opposing all forms of exclusion and discrimination, serve as a clear demonstration of the Group's commitment, as a whole and through its agencies and employees, to defending human rights. The Group and its agencies are committed to upholding human rights through these campaigns conducted for major international organizations, such as the United Nations, or in support of local and national organizations and associations.

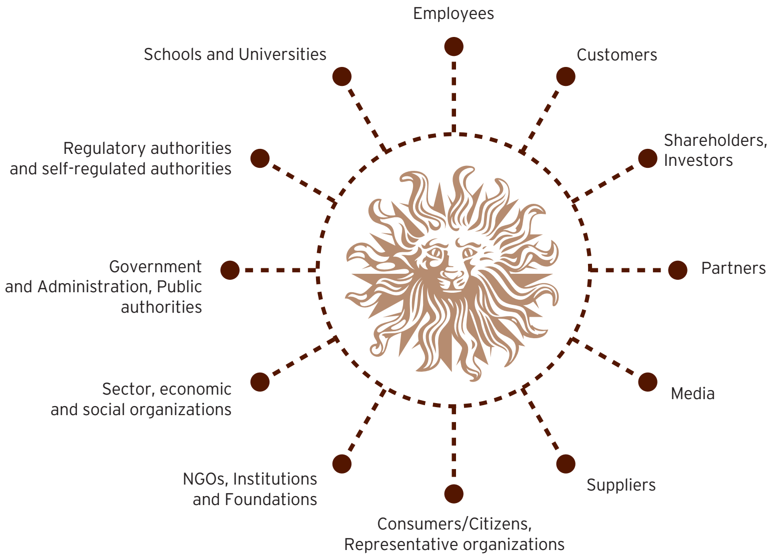
Suppliers' contracts signed with the Group's major partners (at a central or regional level) include various criteria related to human rights. In addition to the internal CSR Procurement Charter, which binds the Group's buyers in relation to these issues, for several years now, suppliers have been asked to complete the CSR Procurement Questionnaire when responding to calls for tender and on an annual basis subsequently (*see 1.4.3 below*).

Elimination of all forms of forced and compulsory labor and abolition of child labor

The Group's activities bear no risk on these issues. The Janus Code of Ethics explicitly prohibits forced, compulsory and child labor, and calls for their eradication. As a signatory to the UN Global Compact, the Group cherishes these fundamental principles, which are also reiterated in the Procurement management guidelines, in particular via the CSR Procurement Questionnaire sent to the Group's suppliers (*see 1.4.3. below*).

2.4.2 SOCIETAL

The mapping of stakeholders (as shown in the diagram below) remains virtually unchanged at both the local and global level. It integrates a clear and pragmatic approach for each relationship often backed by collaborative projects or based on cooperation. In 2014, the Group wanted its CSR approach to better integrate ISO 26000 guidelines and started to work on different strategies to further involve stakeholders in the drafting of the CSR report. To reach this goal, this year the Group asked representatives of these stakeholders to present their expectations in terms of "responsible communication", a true challenge for the industry and the activities of the Group's agencies (*see 2014 CSR report.*).



2.4.2.1 AGENCY INVOLVEMENT IN THE CITY AND LOCAL COMMUNITIES

Traditionally, the agencies have two ways of being involved in their communities in a meaningful, effective manner: either by undertaking pro bono campaigns or by playing an active role in volunteering initiatives.

The agency management decides which causes it will support during the year and the local not-for-profit organizations or bodies that will benefit from a pro bono campaign or support through dedicated volunteering initiatives, in line with the Group's Sponsorship Charter (available at www.publicisgroupe.com). Local proximity and commitment to the issue naturally play a role in selecting the causes to support. Apart from the work to be carried out, the assignment entrusted to the agency in one form or another, these initiatives benefit from strong internal commitment. Whatever the position or the responsibilities of the personnel, taking part in this type of campaign or project is an integral part of an agency career and has been warmly welcomed by the teams.

Pro bono campaigns

Close to 320 pro bono campaigns have been carried out by the Group's different agencies without forgetting all the assistance provided from time to time which is not categorized as campaigns. This lower figure *(360 in 2013)* is in line with the Group's business in 2014 and with the agencies' intention to focus their efforts on a limited number of causes (very often by means of a multichannel approach). Some of them are also involved with public fundraising. The pro bono campaigns conducted by the Group's agencies address the following major themes: child protection; local community initiatives; general health and specific health prevention measures (preventing cancer, fighting AIDS, combating drugs, preventing major diseases, etc.); and environmental protection.

Many of these campaigns can be found on the Group's website (www.publicisgroupe.com), or on individual agency sites; some of them have been listed in the CSR reports since 2009. The teams are also very proud of the awards won by these campaigns, as they often enjoy great creative freedom, which is acknowledged at many professional festivals.

Volunteering initiatives

Also referred to as skills-based sponsorship, this practice is becoming more widespread; this year there were more than 230 initiatives of this type *(315 in 2013, not 750, as incorrectly stated in the 2013 documents)*. This figure reflects better traceability of the agencies' commitments with associations, NGOs, foundations or general interest causes which benefitted from volunteered time. On a practical level, one or two teams are made available for a limited period of time to provide operational support for certain projects run by associations or organizations in favor of general interest causes. These actions may be in addition to a pro bono campaign. Certain operations sometimes include fundraising involving employees.

Beyond the significant contribution for the beneficiary organization, there is also a real internal benefit, as these campaigns promote internal cohesion and are greatly appreciated by the teams.

A large selection of examples of the many organizations and associations with which agencies have carried out these projects has appeared in previous Group CSR reports since 2009, (on www.publicisgroupe.com), or the sites of individual agencies.

The total number of the Group's initiatives, through pro bono campaigns and voluntary work exceeded 550 initiatives *(2013: 675 – not 1,100 as incorrectly stated in the 2013 documents)* with an estimated value of euro 19.1 million euro (excluding free media space worth an estimated euro 32.3 million) in 2014. This equals an estimated total of euro 51.4 million *(2013: estimated euro 50.5 million)*, a slight increase despite of a rather tense economic environment.

Community charity work and donations

Some of our agencies continue to participate in charity events, but priority is given to specific commitments such as *pro bono* campaigns, or skills-based sponsorship (see above), because this is the best way of ensuring that the Group's agencies provide the most efficient and effective possible help to organizations working on general interest issues. The agencies, employees and managers alike, always respond very quickly whenever a dramatic event occurs in their country, a region, a town or city (nearby or not) and it is necessary to organize help urgently. Natural disasters and large-scale serious accidents lead to spontaneous acts of generosity, with employees and management working side by side. Under this type of extraordinary circumstances, local presence is a key factor for success. This is why the Group prefers a decentralized approach. These amounts remain modest in relation to the actions made possible by pro bono campaigns, dedicated volunteering initiatives or skills-based sponsorships.

2.4.2.2 RELATIONS WITH SCHOOLS AND UNIVERSITIES

Schools and universities located near to the agencies are the preferred partners with which very close cooperation has been established for years now. A good number of employees join our teams not just as they reach the end of their studies, but also because they have been able to understand and develop an interest in the careers we offer through internship opportunities during their studies. There are four major types of relationships with schools and universities:

1) Job Fairs (or Careers Fairs): these are key events for recruiting; the types of training and skills the agencies need change very rapidly, and education provision is often unable to keep pace with business requirements. Sometimes several agencies participate jointly in these major events;
2) Open days at agencies: in various countries, specific dates have been set to welcome students, helping them to find out about our jobs, sometimes in conjunction with inter-professional organizations. Open days offer great opportunities for mutual discovery;

3) Education: lectures and courses are presented by a number of managers on a regular or occasional basis. The Group agencies strive to develop these relationships over time and diversify them in order to make them open to students with different profiles originating from atypical courses and to become active in new technology specialties;
4) Internships: an integral part of training programs, they are necessary to validate acquired skills in order to be awarded a qualification. Most of the Group's agencies take on interns either for mandatory course internships, end-of-studies internships, or during sabbaticals. Given the increasingly complex nature of our jobs where technology plays a significant role, internships help young graduates gain a better understanding of the reality of a position so that they then can make an informed decision on which career to choose.

Each agency cultivates its own relational network with a certain number of local educational institutions. A list of the main institutions with which agencies have formed relationships over time can be found in the CSR reports since 2009.

2.4.2.3 RELATIONS WITH TRADE ORGANIZATIONS AND INSTITUTIONS

Agency managers are extremely involved in their national professional organizations. Ad hoc inter-professional collaborations, bringing together different jobs and business sectors and in which communications agency professionals are closely involved as stakeholders in the actions and ideas of organizations and associations at a local level, have been growing in number.

In addition to numerous local initiatives, the Group is upholding its commitments over the long term (see the CSR reports since 2009); in particular in relation to two topics:

- Education: the Group participates in MediaSmart, a European program (Pub Malin in France www.pubmalin.fr) designed to help primary school educators to teach 8-11 year olds critical thinking skills relative to advertising, in partnership with media representatives, teachers, consumer associations and regulatory authorities, among others. The Group also participates in the MediaSmart Plus program aimed at high-school students and their teachers;
- Self-regulation: at the national level, agency managers are involved in their professional organizations. At the international level, work continues on the International Chamber of Commerce – ICC's Code of Ethics (www.iccwbo.org). This ICC Code (Advertising and Marketing Communication Practice – Consolidated ICC Code) sets the international standard for good practice in advertising and marketing, also including digital communication and mobile apps. In the same spirit, in relation to data protection, for instance, the Group's experts are involved in the 4A's Privacy Committee and the Advertising Self regulatory Council in the United States as well as the European Advertising Standards Alliance; this shows the Group's active involvement in these platforms for dialogue and joint work on best practices in the industry with all the professionals and authorities concerned. The Group remains active in relation to standard ISO 26000, applicable to the communication industry focusing on the stakeholders, in the context of AFNOR's work in France.

2.4.3 GOVERNANCE, ECONOMY AND ETHICS

2.4.3.1 GROUP BUSINESS ACTIVITIES AND PRIMARY KEY FIGURES (SEE CHAPTER 1 OF THIS DOCUMENT)

- History: Publicis Groupe was founded in 1926 in Paris by Marcel Bleustein-Blanchet. It is led by Maurice Lévy, Chairman of the Management Board, and is one of the leading global communication groups. Its registered office is in Paris *(also see Section 1.2 "Group History" of this document)*;
- Strategy and activities: The Group's strategy is presented with a high level of detail throughout Section 1.4.2 of this document. Publicis Groupe's communication business is organized around three major areas: advertising, Specialized Agencies and Marketing Services, media agencies; digital activities are becoming increasingly present across these businesses, with digital activities accounting overall for 42% of the Group 's revenue in 2014;
- Clients: The list of the Group's main clients is included in Section 1.4.5 of this document;
- The key figures are presented in Section 1.1, and the consolidated financial statements are set out in Chapter 4 of this document;
- Section 1.7 of this document contains information on the Group's R&D policy.

2.4.3.2 CORPORATE GOVERNANCE PRINCIPLES

Section 2.1 of this document outlines the Group's corporate governance principles.

Publicis Groupe is a company with a Supervisory Board and a Management Board.

The Supervisory Board had 14 members (50% women), reduced to 13 after the passing of Michel Halpérin. It is chaired by Élisabeth Badinter, daughter of the Group's founder, Marcel Bleustein Blanchet. The Management Board, chaired by Maurice Lévy, has 4 members (1 woman and 3 men). The members of the Supervisory Board and Management Board are presented in Section 2.1 of this document.

The Group has been listed on the Paris Stock Exchange since 1970.

Risk factors (industry-related, regulatory, mergers and acquisitions, globalization, financial risks, and risk hedging) are presented in detail in Section 1.8 of this document.

2.4.3.3 ETHICS & PRINCIPLES

Janus, the Group's Code of Ethics, consists of a Code of Conduct and corporate operating rules. Janus applies to all managers and their teams, while the Code of Conduct applies to all employees *(see Section 2.1.8 of this document).*

The networks and agencies continue to enhance their internal programs designed to raise awareness and inform employees about the contents of Janus, through dedicated training sessions for all new arrivals, regardless of their position.

The Group's key values were established many years ago and focus on major areas, which are explained in the Janus Code of Conduct with, in the first few pages, details concerning the conduct of the teams and the fundamental rules that must be respected. This summary document is available at www.publicisgroupe.com.

2.4.3.4 ANTI-CORRUPTION POLICY & PROCEDURES AND BUSINESS ETHICS

The Janus code of conduct thoroughly addresses the issues of gifts, conflicts of interest and inappropriate or unethical relationships, either with clients or suppliers. The Group's legal experts play an important role in terms of awareness and the application of laws and regulations concerning corruption. Based in the shared services centers (Re:Sources) and functionally under the Group's Legal Department, these legal experts keep a constant eye on laws and regulations dealing with corruption. They keep agencies aware of the issues at stake and lay down compliance procedures adapted to local markets.

The Group continues to impose its very strict standards on corruption and ethics, in line with the applicable regulations. Continuous progress has been made in developing training programs and control systems to ensure that all employees comply with these rules. In addition, the internal audit teams regularly remind local managers of the Group's rules regarding corruption and ethical business conduct.

The Group established an anti-fraud alert system several years ago, which is included in Janus. All alerts received (mail, e-mails, etc.) are collected by the Group's Secretary General. If required, the Internal Audit Department investigates the matter, using the appropriate resources and preserving confidentiality.

The Internal Audit Director reports the findings of the investigations carried out to the senior management and a report is presented at each Audit Committee meeting.

2.4.3.5 CLIENT RELATIONS

Section 1.4.5 of this document outlines the Group's relations with its clients.

The Group is very committed to the quality of the relations which are forged with all the clients, recent or long-standing, because it is the key to beneficial work. In respect of responsible communication, the work is done upstream, based on messages and representations, as well as when carrying out the campaign itself with the focus on eco-design issues.

Agencies conducted over 8,100 client surveys in 2014 *(2013: 7,000)*. This figure only reflects a part of the client satisfaction surveys. These surveys are conducted either as questionnaires administered by agencies or as annual interviews or performance reviews. In addition, several key international clients also administer the customer satisfaction surveys themselves using their own (or third-party) tools. Consequently, it is hard for the agencies to collect accurate feedback on the procedure and the number of people surveyed on the client side to provide an assessment of the work supplied, as in general only a summary is shared with the agency. A portion of client surveys therefore fails to come to the attention of agencies.

2.4.3.6 SUPPLIER RELATIONS

At the end of 2014, the Group's Procurement Department launched, in close cooperation with the CSR Department, an initiative with EcoVadis, an assessment platform, to ensure closer monitoring of suppliers, by including CSR items. The pilot program involves 34 suppliers providing different goods and services of different sizes, based in four countries, mainly in the United States and Europe. (See 2014 CSR report).

The in-house charter (CSR Procurement Charter) designed for the Group's international team of buyers serves as a platform to increase internal mobilization around CSR criteria in calls for tender. In addition, the Group's major suppliers are systematically asked to complete the ad hoc questionnaire (CSR Procurement Questionnaire). The Group's Procurement Department monitors several indicators, including: a) the systematic inclusion of CSR questionnaires in the centrally and regionally managed ITTs (RFIs/RFPs); b) taking into account the responses to these questions in the final score given to the suppliers' bids; c) acceptance by suppliers of our own internal clauses about important issues concerning Human Rights and labor law, as well as the environmental impact.

The Group's Procurement Department is sometimes directly involved at the request of certain clients, when it requires its communications agency to commit to certain points with its suppliers. This trend is being encouraged by recent regulatory developments (see: Small Business Act in the United States as in Europe). Similarly, the issues related to diversity (and social policy) covered by the term Supplier Diversity – beginning to develop – are monitored internally either by dedicated teams in direct contact with clients (as several large Group agencies in the United States do), or with the support of outside experts working in the Group's agencies. The critical issue is encouraging and verifying that the profiles of the companies with which the Group's agencies may work are truly diversified (size, in particular SMEs/VSEs, diversified entrepreneur profiles, distinctive features, etc.).

At the same time, these issues concerning supplier relations result in establishing a closer dialogue between the clients' Procurement Departments and the Group's Procurement Department, which could lead to joint projects.

As for subcontracting, for communication activities managed directly by the agencies, outside experts, freelancers or small ultra-specialized entities are also called upon. This sub-contracting is often carried out under intense conditions imposed by clients; the Group is careful with respect to its service providers to limit reducing the time needed to complete the project and make payments on time.

2.4.3.7 CONSUMER HEALTH AND SAFETY MEASURES

Janus, the Group's Code of Ethics, sets out a certain number of key behavioral principles applicable to all employees in performing their job, such as respect for others, confidentiality, avoiding conflicts of interest, as well as the Group's refusal to participate in partisan campaigns, a stance that is quite rare in the communications sector. These rules (publicly available at www.publicisgroupe.com) apply to all employees and are the foundations of our corporate culture.

Publicis Groupe conducts business-to-business communications operations. The Group's direct issues linked to its communication work are also closely related to the nature of the clients' business (brand name/trademark, products, services, etc.). One of the challenges faced by digital communication is the protection of personal data, in particular with the growth of mobile communication. Group experts take part in different working groups, at both the national and international level, always comprised of several parties to discuss good practices and the issues concerning standards and regulatory changes, while practice standards are developing very quickly. The common objective is to improve the transparency of the new modes of communications and interactions with the end-user, with the Group being very concerned about the notions of free will and free choice of consumer citizens.

For example, the Group agencies apply the Self-regulatory Principles for online Behavioral Advertising in the United States, and in Europe the Best Practice Recommendation for Online Behavioral Advertising. In addition to that, in other countries, similar work and the application of rules that are essentially the same thanks to the collective work undertaken with the regulatory authorities or self-regulation. Other examples are found in the CSR reports from 2009 onwards.

2.4.3.8 INVESTOR AND SHAREHOLDER RELATIONS

Section 6.4.2 of this document details the financial information pertaining to the Group's shareholding.

The Investor Relations Department oversees everyday relations with investors and shareholders through numerous meetings and exchanges in various countries. The Investor Relations Department and the CSR Department work closely together with respect to ESG (Environmental-Social-Governance) requirements.

The press releases and presentations circulated throughout the year are accessible on the Group site: www.publicisgroupe.com.

2.4.3.9 GROUP COMMUNICATION

The Group's Communications Department is tasked with developing and implementing the Group communications strategy, both internally and externally. In addition to its advisory and assistance role towards the Group executives and agencies throughout the world, the Communications Department coordinates the whole network of communication managers.

It provides information to employees, shareholders, the general public and institutional players thanks to different international communication means (media, website, social media). It works in close contact with the Group's Corporate Departments: finance, investor relations, human resources, audit, legal, mergers and acquisitions and CSR.

2.4.4 ENVIRONMENT

2.4.4.1 GROUP ENVIRONMENTAL POLICY

The Group's environmental policy remains based on the motto "Consuming better, consuming less". It was originally developed around the European 20-20-20 strategy by 2020*. It was written several years ago based on four clear areas of focus in order to tackle the pragmatic challenges faced by the agencies:

1) Reducing consumption of raw materials, mainly paper and water (with changes in relation to the types of paper used and the printing techniques);
2) Reducing consumption of energy (by seeking to limit the impact relating to electricity, heating and air conditioning);
3) Reducing employee transport and its impact (with teleconference and conference call systems being put in place, etc.);
4) Putting in place recycling and organized waste management systems.

The Greenhouse Gas emissions reviews in the last few years enable the major impacts to be identified. However, the natural growth of the Group's business conceals the progress made in certain fields, in particular energy and travel where installing 50 tele-conferencing rooms worldwide has contributed to reducing traveling.

The Group's efforts to adapt to climate change have translated in the progressive implementation of its environmental policy; the Group has also been a signatory to the United Nations Global Compact 'Caring for Climate' initiative since 2007. The involvement of the Real Estate Department should be mentioned here. This department is also involved in a CSR approach in order to consolidate a rigorous approach which takes these issues into consideration during renovation work for agencies and when looking for new office space, ensuring preference is given to premises that meet environmental and energy efficiency criteria. *(See examples in the 2014 CSR report)*.

- Certifications: the certification of agencies is dependent on the local context. Over 20 agencies are certified, primarily in the United States, the United Kingdom and France (ISO 14001 or ISO 9001), to better address clients' expectations or in connection with local regulations. There are other voluntary certifications that set standards and good practices in the advertising and communications industry, as well as more technical certifications obtained with technology partners.

2.4.4.2 RAISING THE TEAMS' AWARENESS OF CSR CHALLENGES

Over the last few years, there has been a true internal shift in terms of the joint mobilization of employees and management in relation to CSR issues. A few years back, very often priority was given to environmental action. But currently, societal themes are just as relevant. This spurred volunteer teams (Green or CSR teams) to converge on an international, cross agency group wide initiative under the motto "Create & Impact 2014". 2014 was the 4th year of action for this joint movement, while some agencies have had Green Teams since 2004. Driven by the CSR Department, these teams of volunteers are encouraged to implement different types of actions: in favor of employees, communities, and the environment, as well as other themes relevant to CSR, such as wellbeing at work. These teams (very active in more than 200 agencies) undertake effective local initiatives driven by a strong personal commitment. "Create & Impact 2014" brought together almost 120 agencies around June 2014. The aim of this program was to encourage and mobilize efforts on CSR issues, while leaving a large amount of leeway to agencies to determine their own local priorities. In addition to employees, some agencies have involved their customers, suppliers and partners.

2.4.4.3 MAJOR CONSUMPTION AND ENVIRONMENTAL IMPACTS

The Group's major sources of consumption and impacts were as follows (in order of importance):

- Transportation & Travel: *(calculation: business trips + personal travel (home/work))* estimated at 1,062,713,000 km *(2013: 1,034,110,000 km)*. Most of this is generated by business trips, which increased, due to the growth of the Group's business, as well as enhanced traceability of personal travel. Over the last few years, the Group has invested in tele-conferencing rooms in order to reduce business trips, with 50 new rooms now up and running and in increased use;

* *("20-20-20" European strategy: 20% reduction in greenhouse gas emissions; 20% rise in the share of renewable energy; 20% increase in energy efficiency).*

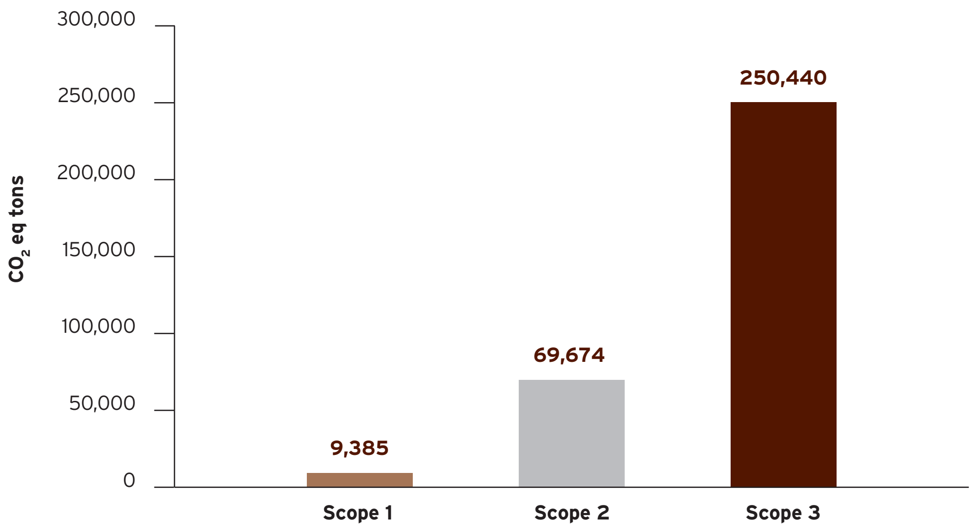
- Energy consumption is 167,982,000 kWh [95% 2014 cr] which is a decrease from 2013 down *(2013: 173,201,270 kWh)* including almost 26% from renewable energy sources *(on the basis of the statements provided by electricity suppliers)*. This fall in consumption makes it possible to better assess the efforts made to improve energy efficiency and good practices (switch off policy for computers and machines such as printers, as well as night and weekend lighting). When the Group has to envisage moves, the energy efficiency of the future offices is part of the selection criteria;
- Fixed assets (buildings, office materials such as IT equipment and servers, etc.);
- Paper consumption: 1,400 tons were consumed [80% 2014 cr] *(2013: 1,560 tons)*, including a share of certified or standard-compliant paper (FSC, PEFC or other); consumables (cartridges, office supplies, etc.).

Additionally:

- Water consumption is estimated at 697,197 m^3 or 12 m^3 per capita [92% 2014 cr] – down per capita on 2013 *(777,020 m3, i.e. 12.4 m3 per capita)*. Tracking these data is still a rather complex task, as agencies pass on the information received from their landlords. Given the Group's services, it is difficult to obtain information concerning the sources of supply;
- The volume of waste is estimated at 6,060 tons [96% 2014 cr], up on 2013 with 5,750 tons, which can be explained by enhanced traceability of data). Most of this waste is paper and cardboard, and is recycled with traceability (some agencies have traceability in place for 100% of these volumes depending on the local system in place and service providers used). Waste recycling is improving in the agencies through ad hoc cooperations that facilitate reprocessing of different types of waste other than paper (ink cartridges, cans, bottles, electronic waste, etc.).

2.4.4.4 REVIEW OF GREENHOUSE GAS EMISSIONS

For the sixth edition, the Greenhouse Gas emissions review based on the GHG protocol method was calculated with the assistance of Bureau Veritas based on the data collected by all the Group's entities (98%). The total for scopes 1+2+3* was 329,499 TeqCO_2 *(2013: 318,164 TeqCO_2)* appears to be up 3%, which is normal considering the Group's expanding business. This total is equivalent to 5.1 TeqCO_2 *per capita* (Average of services activities: from 5.3 to 8.8 TeqCO_2, source: Bureau Veritas).



* Scope 1: energy sources: gas, fuel oil and other fluids + business transportation (car).

Scope 2: electricity purchased.

Scope 3: other personal and work-related transportation (including plane, train, etc.) + fixed assets + consumables + waste.

NB: *The GHG protocol calculating method is based on average emission factors (and therefore include a certain degree of uncertainty), thus it only provides estimations by order of size, with its vocation being to encourage GHG emissions reductions and measure the progress made. The degree of uncertainty when making the Publicis Groupe GHG emissions assessment for 2014 is estimated at 20%.*

Comments – Environmental impacts not applicable to Publicis Groupe under Art. 225

Given the Group's service-based industry and intellectual operations, certain information required for the implementation decree for Article 225 of the Grenelle II Act, is irrelevant, namely:

- *resources dedicated to preventing environmental risks and pollution;*
- *prevention, reduction or reparation measures concerning air, water and soil pollution seriously affecting the environment;*
- *taking into consideration noise and all other forms of pollution relating to a specific business;*
- *land use;*
- *protection of biodiversity;*
- *provisions and guarantees pertaining to environmental risks.*

2.4.5 EXTERNAL ASSURANCE - AUDIT REPORT

At the request of Publicis Groupe, SGS ICS carried out an audit of the information included in the management report drawn up for the year ended December 31st , 2014 in accordance with Decree no. 2012-557 dated April 24th, 2012 relative to companies' social and environmental transparency obligations, with regard to the application of article 225 of law no. 2010-788 dated July 12th, 2010 and article 12 of law no. 2012-387 dated March 22nd , 2012, which amended article L. 225-102-1 of the French Commercial Code and the order of May 13th, 2013 determining the procedure to be used by the independent third-party organization when conducting its mission.

It is the responsibility of the Board of Directors to prepare a report concerning the management of the Company including social, environmental and societal information; to define the appropriate standards used for the collection of the quantitative or qualitative data, and to ensure their provision.

The responsibility of SGS ICS, as an independent body, accredited by COFRAC under No. 3-1086 (range available on www.cofrac.fr) is to attest to the presence in the management report of all information provided for in Article R. 225-105-1, express a reasoned opinion indicating one hand on the sincerity of information and, secondly, the explanations given by the company on the absence of certain information indicating the procedures implemented to accomplish our audit.

TYPE AND SCOPE OF THE AUDIT

SGS ICS' audit consists of:

- reviewing the statement on sustainable development policies in relation to sustainable development as well as the social and environmental impacts of the Company's business activities, its cultural commitments and the actions that stem from these policies and commitments;
- comparing the list of information mentioned in Publicis Groupe's 2014 management report against the list set forth under article R. 225-105-1 and noting, where applicable, any missing information not accompanied by explanations as mentioned under the third paragraph of article R. 225-105;
- verifying that the Company has a data collection process in place to ensure that the information mentioned in the management report is complete and consistent, and identifying any irregularities;
- expressing, at the request of Publicis Groupe, a conclusion of reasonable assurance with regards to whether the CSR information is presented truthfully.

TESTS

SGS ICS conducted its audit of Publicis Groupe on an international scale including its subsidiaries and controlled companies, which are included in the consolidated financial statements.

SGS ICS conducted its audit from December 17th, 2014 to March 6th , 2015 (63 days), by carrying out interviews with key individuals involved in the collection, validation and publication of quantitative and qualitative data from the Holding Company and several of its subsidiaries amounting to 54 agencies in France, Germany, the United Kingdom, the United States representing over 32% of the total headcount*.

- SGS ICS reviewed the reliability of the internal CSR Reporting Guidelines, the internal control procedures and the data and information aggregation systems at each of the sites;
- With regards to quantitative data, we audited each site by using surveys, verifying the calculation formulas and comparing data with supporting documents for 22 indicators selected according to their degree of relevance (legal compliance and taking into consideration the business sector/industry), as well as their reliability, neutrality and comprehensive nature:
  - social indicators (87% to 98% of total headcount): training hours, number of employees trained, ,training fees, turnover rates, annual assessment interviews, employee wellbeing, frequency and severity of accidents at work, diversity,
  - environmental indicators (80% to 98% of total headcount): environmental prevention, recycling and waste disposal measures, energy efficiency and use of renewable energy, energy consumption / fuel - electricity - heating - cooling, use of videoconferencing, paper consumption,
  - cultural indicators (82% to 98% of total headcount): Pro-bono campaigns, employee volunteering, donations and charities, responsible procurement, actions taken to prevent corruption, stakeholder involvement, and socially responsible communication campaigns;
- Random checks were performed on quantitative and qualitative data during the final phase of consolidation of the 22 indicators ,as well as on other required information;
- Ten auditors were assigned to this audit including a lead auditor;
- Seven interviews were conducted at Group level with the Financial Department, the Human Resources Department, Purchasing Department, the Communication Department, the Internal Audit Department and the CSR Department.

We believe that the chosen sampling method and sample sizes for the audit allow to formulate a conclusion of reasonable assurance.

STATEMENT OF INDEPENDENCE AND COMPETENCE

SGS is the world leader in inspections , audits, assessments and certifications. Recognized as the global benchmark for quality and integrity, SGS employs more than 80,000 people and operates a network of more than 1,500 offices and laboratories around the world.

SGS ICS is a wholly-owned French subsidiary of the SGS Group. SGS ICS declares that its audit and findings were prepared in complete independence and impartiality with regard to Publicis Groupe and that the tasks performed were completed in line with the SGS Group's code of ethics and in accordance with the professional best practices of an independent third party.

Auditors are authorized and appointed to each audit assignment based on their knowledge, experience and qualifications.

STATEMENT AND REASONED OPINION

Based on Publicis Groupe's presentation regarding sustainable development policies, the social and environmental impacts of the Company's business activities, its social commitments and the diligence implemented:

- we certify that the information included in Publicis Groupe's 2014 management report is in compliance with the list set forth under article R. 225-105-1 and that any exceptions have been duly justified;
- we declare that we found no significant irregularity that would call into question the fair presentation of the information included in the 2014 management report.

OBSERVATIONS

- The data collection procedure regarding certain social indicators (annual performances interviews, training hours, climate surveys) as well as certain environmental indicators (waste and paper) must be reviewed in order to improve their traceability and in order to refine their granularity and scope;
- The quality and the reliability of the quantitative and qualitative data, with a boundary that encompasses over 750 sites is in constant progress. We can also note a better use of the information systems specific to CSR reporting.

Signed in Arceuil France, March 6th 2015

SGS ICS France
29 avenue Aristide Briand
F- 94111 ARCUEIL Cedex

Technical Audit Director

Stéphane LANGLOIS

* *Audited sites: Arc USA - Bartle Bogle Hegarty UK - BBH Partners UK – Digitas Boston - Digitas Netalk China - DigitasLBi UK – Leo Burnett London - Leo Burnett Sao Paulo - Leo Burnett USA - Leo Burnett Beijing - Leo Burnett Shanghai - MSL France - MSL Consumer Paris – MSL Corporate Paris – MSL Influence Paris - Publicis Consultants Paris – MSL P.R. Consultancy Beijing – MSL Genedigi - MSL New York - MSL North America - Publicis New York – Publicis Blue Print - Publicis Brazil - Publicis Conseil - Publicis Dialog - Marcel Paris - Publicis UK - Digitas Health Philadelphia – Publicis Touchpoint Solutions - Razorfish USA - Rosetta USA - Rosetta New York – Re:Sources France - Re:Sources Germany - Re:Sources USA - Saatchi & Saatchi Nazca Brazil – Saatchi & Saatchi China Great Wall – Saatchi & Saatchi Germany - Saatchi & Saatchi Los Angeles - Saatchi & Saatchi New York - Saatchi & Saatchi North America - Saatchi & Saatchi Team One - Saatchi & Saatchi UK - Starcom USA - MediaVest USA – Starcom MediaVest China - Starcom UK - Zenith USA - Zenithmedia Dusseldorf - ZenithOptimedia France - ZenithOptimedia International UK - ZenithOptimedia UK - ZenithOptimedia Americas - Vivaki USA*

3

COMMENTARY ON FISCAL YEAR

The developments below are the main elements of the management report mentioned in Article L. 451-1-2 of the French Monetary and Financial Code and in Article 223-3 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 the second paragraph of Article L. 225-211 of the French Commercial Code.

Other information corresponding to required elements of the management report is to be found in Section 8.6 "Cross-referencing table of the management report".

The following discussion should be read in conjunction with the consolidated financial statements and related notes. They contain information concerning the Group's future objectives which implies risks and uncertainties, including, in particular, those described in Section 1.8, "Risk factors".

3.1 Introduction

2014 forecasts established at the end of 2013 predicted a year of economic recovery in most regions with the exception of Europe. Unfortunately, the reality was quite different, with a marked slowdown in the BRICS countries, each for different reasons: upcoming elections in India, difficulties in Brazil, an actual war in Ukraine with its impact on the Russian economy, and the radical change in strategy in China with the transition from an investment economy to a consumer economy. In this context, the global advertising economy, already affected by the transformation of its business model due to the impressive development of Internet platforms and technology, did not reach the expected growth rate.

Involved in a merger project that ultimately did not materialize, Publicis was not able to achieve a growth rate in line with the market in 2014, despite the slight rebound in the fourth quarter.

With the exception of the United States, where the economy grew in 2014 despite a slowdown in the first quarter due to unusual weather conditions, the growth of the world economy was disappointing, forecasted at 3.3% by the International Monetary Fund at the beginning of 2015, compared with an estimated 3.7% in January 2014.

In the euro zone, lower-than-expected growth (0.8% expected compared with 1% estimated in January 2014) is the result of persistent structural weaknesses, rising unemployment, excessive debt and the absence of fundamental reforms. The growth of the Japanese economy for 2014 was estimated at 0.1% in January 2015 (1.7% estimated in January 2014). The situation in the BRICS countries had a significant impact on global growth.

After lowering its estimations for growth of the global economy several times during the year, in particular due to the downturn of strong-growth economies and despite good growth momentum in the United States, the International Monetary Fund remains very cautious concerning the growth of the global economy in 2015. On January 20, 2015, the IMF sharply revised its growth forecast for the global activity downward to 3.5%, a 0.3% decrease compared with the forecast in October 2014. This decline is the result of several negative factors that were confirmed in 2014: weak growth in the euro zone and Japan, the fall in investments and the worsening of geopolitical tensions. Any potentially positive effects of the plummeting oil price on the global economy have not yet materialized and will not be enough to offset all the negative impacts.

The latest growth estimates for ZenithOptimedia's advertising market published in December 2014 show growth of 4.9% for 2015, down 0.4% from the forecast in September 2014. This revision is based on the above-mentioned considerations: the weak euro zone economy and increased tensions, particularly in Ukraine.

In spite of certain genuine signs of a positive change in some regions, in North America and certain emerging or strong-growth markets, the global economy witnessed increased uncertainty throughout 2014 with an inevitable impact on growth. In this context, and given the lack of major favorable events, 2014 remained difficult for the advertising market. After the cancellation of the proposed merger and in spite of occasional difficulties in the United States and the United Kingdom in some digital businesses, Publicis Groupe achieved satisfactory financial results, proving the pertinence of its business model.

Consolidated revenue in 2014 amounted to euro 7,255 million, up by 4.3%, with exchange rate effects having had a negative impact representing euro 80 million (euro 237 million in 2013). Organic growth for the year was a disappointing +2.0%, although it had been supported by a favorable trend in the second half, especially in emerging and strong-growth economies.

Despite Razorfish' difficulties, the digital business enjoyed unwavering success. It continued to develop, representing nearly 42% of 2014 revenue, compared with 38.4% in 2013. The growing impact of new technologies in the world of media and marketing contributed to an increase in the share of the digital business as a share of the Group's revenue.

In 2014 the Group's digital activities were also boosted by the acquisition of Nurun, whose assets were transferred to Publicis Worldwide and Razorfish Global. Razorfish's difficulties mainly due to changes in the strategy of two large clients and managerial weakness led to a restructuring of the activities and the creation of a Razorfish Global business line that includes Razorfish and Rosetta.

The acquisition of **Sapient**, initiated in November 2014 and concluded on February 6, 2015, will enable the creation of a unique product in the digital universe. This transaction marks a decisive step in the transformation of Publicis Groupe, making the Group the undisputed leader in the digital era and enabling it to quickly become the leader of the convergence of marketing, communications, omni-channel commerce and technology. Publicis Groupe will create a global platform, **Publicis.Sapient**, a unique solution capable of providing advertisers with all the necessary means to transform their business model in order to manage the requirements of the new digital convergence era. With this acquisition, digital advertising will account for over 50% of Publicis Groupe's consolidated revenue in 2015, thus reaching the target set by the strategic plan through 2018 three years earlier.

In addition, in September **Publicis Groupe** and **Adobe** formed a strategic partnership to offer the **Publicis Groupe Always-On Platform™**, the Group's first comprehensive marketing management platform which automates and centralizes all the components of customer marketing. This unique platform, standardized on Adobe Marketing Cloud, will enable, for the first time, all Publicis Groupe's agencies to create attractive content, analyze their marketing, identify and create audience segments, deploy campaigns, as well as monitor and measure marketing performance using a common technology and a common data structure. Integrated into VivaKi, the platform will be available to all Publicis Groupe's agencies and networks to deploy under their own respective brands.

AOL and Publicis Groupe extended their partnership established six years ago in programmatic video and online TV. The broader scope of this partnership will allow VivaKi and the Publicis Groupe network to enjoy special access to the world of video through AOL platforms.

In 2014, the Group's revenue from high-growth countries represented 23.7% of total revenue, compared with 24.4% in 2013, the dilution observed resulting from the depreciation of currencies in several countries of this group and from acquisitions in mature markets.

New business activities slowed in 2014, with the notable exception of the bid for Samsung's global advertising budget, which the Group won against some fifteen agencies and all major global groups.

Against an economic backdrop of low growth prospects over the long term, the Publicis Groupe pays greater attention to its growth, while sustainable profitability remains its core objective. Various cost optimization programs are in the pipeline or have already been launched to achieve the margin targets set out in the strategic plan through 2018. These programs include productivity efforts, improving the margins of underperforming entities, accelerating agencies' multidoor programs, streamlining of procurement, further regionalizing of shared service centers and continuous process improvement. The implementation of an ERP started in France on July 1 is ongoing and the Group is preparing to deploy the system in several other major countries where it has operations. These programs have yet to reach their full potential.

The operating margin rate as published was 16.3%, compared with 15.9% in 2013.

For the purpose of comparing the actual operating performance, the operating margin for 2014, excluding net costs associated with the proposed merger with Omnicom and the acquisition of Sapient, was 16.4% compared with 16.5% for 2013, which is a significant achievement given the weak growth recorded in 2014.

Group net income was euro 720 million, or euro 726 million when excluding non-recurring expenses linked to the proposed merger between Publicis and Omnicom and the acquisition of Sapient.

Basic earnings per share (as defined in Note 9 to the consolidated financial statements) amounted to euro 3.70 and diluted earnings per share to euro 3.64, representing a rise of 0.8% and 2.8%, respectively. Basic headline earnings per share amounted to euro 3.22 and diluted headline earnings per share to euro 3.16, showing a drop of 12.3% and 10.7%, respectively.

The dividend to be proposed at the General Shareholders' Meeting of May 27, 2015 will be euro 1.20 per share. It represents a payout ratio of 37.3% and an increase of 9.1% over the previous year. The dividends will be paid in cash or in shares, at the holders' discretion, on July 2, 2015, subject to the approval of the General Shareholders' Meeting.

As at December 31, 2014, the balance sheet showed a positive net cash position of euro 985 million, compared with a positive net cash position of euro 593 million as at December 31, 2013.

Management:

The Supervisory Board has decided to revise the composition of the Management Board: Maurice Lévy, Chairman, Anne-Gabrielle Heilbronner, Kevin Roberts and Jean-Michel Etienne have been statutory members of the Management Board since September 15, 2014.

On the recommendation of the Chairman of the Management Board, the Supervisory Board approved the creation of a supplementary body, the "Management Board +", which includes Laura Desmond, CEO of Starcom MediaVest Group, Steve King, CEO of ZenithOptimedia, Arthur Sadoun, CEO of Publicis Worldwide and Rishad Tobaccowala, Chief Strategist of Publicis Groupe, in an effort to bring together people with the knowledge of the workings of the Company and its decision-making process, and a new generation of managers. The P12 has also been strengthened with the arrival of new members: Tom Adamski, Axel Duroux, Robert Senior, Luke Taylor, Mark Tutssel and Jean-François Valent.

Moreover, following the acquisition of Sapient that was completed on February 6, 2015, Alan Herrick, CEO of Sapient, became a member of the "Management Board +".

3.2 Organic growth

When comparing its annual performances, Publicis Groupe measures the impact on reported revenue of changes in foreign currency exchange rates, acquisitions and disposals, and organic growth. Organic growth, which represents the increase in like-for-like revenue at constant exchange rates, is calculated as follows:

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

The difference between the revenue for the current year, after subtraction of the revenue from acquisitions (net of that of divested activities) and the revenue of the previous year (translated 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 revenue 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. Also, like-for-like revenue is generally used in the industry as a key performance indicator.

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

(in millions of euros)	Total
2013 REVENUE	**6,953**
Impact of exchange rates	(80)
2013 revenue at the 2014 exchange rate (a)	6,873
2014 revenue before impact of acquisitions[1] (b)	7,010
Revenue from acquisitions[1]	245
2014 REVENUE	**7,255**
ORGANIC GROWTH (b-a)/a	**2.0%**

(1) Net of disposals.

After having estimated the growth of the advertising market for 2014 at 5.3% in December 2013, ZenithOptimedia revised its forecasts upwards to 5.5% in April, then successively lowered them to 5.4% in June, 5.3% in September and 5.1% last December. Against a backdrop of low growth in Europe and the downturn in the economies of emerging markets, the Group's organic growth of +2.0% represents a good performance.

Organic growth for each quarter in 2014 was:

- First quarter: +3.3%
- Second quarter: +0.5%
- Third quarter: +1.0%
- Fourth quarter: +3.2%

3.3 Analysis of the consolidated results

3.3.1 REVENUE

Consolidated revenue in 2014 amounted to euro 7,255 million *versus* euro 6,953 million for 2013, up 4.3% (exchange rate effects had a negative impact of euro 80 million).

Expressed in US dollars, revenue corresponds to 9,625 million.

Organic growth was +2.0% for the 2014 fiscal year. This low growth is mainly due to poor performances in Europe, disappointing growth in the United States and Brazil, as well as the specific problems that affected Razorfish in the United States and the United Kingdom. Digital business continued to grow at a good pace (+7.3% organic growth) although it was clearly impacted by the problems encountered by Razorfish. The healthcare business reported an excellent performance, while the media and the BBH Group held up well. The continued attrition of the analog business can be seen in the table below:

	Europe*	North America	BRIC + MISSAT**	Rest of the world	Total
Digital	+8.9%	+3.2%	+33.0%	+29.4%	+7.3%
Analog	-5.0%	+1.4%	-1.8%	+0.9%	-1.4%
TOTAL	**-0.6%**	**+2.3%**	**+3.5%**	**+6.7%**	**+2.0%**

* *Europe, excluding Russia and Turkey.*
** *MISSAT: Mexico, Indonesia, Singapore, South Africa and Turkey.*

Revenue from high-growth countries represented 23.7% of total revenue (24.4% in 2013). The observed erosion can be mainly attributed to the depreciation of currencies in certain countries in this group and acquisitions carried out in mature markets. Organic growth for this group was +4.7% for the period, an improvement over 2013 (3.3%).

REVENUE BY BUSINESS LINE

The following table shows the percentage of the Group's total revenue from the main business lines in 2014 and 2013:

	2014	2013
Digital	42%	38%
Advertising	28%	30%
Specialized Agencies and Marketing Services	15%	16%
Media	15%	16%
TOTAL	**100%**	**100%**

2014 REVENUE BY GEOGRAPHIC REGION

	Revenue		
(in millions of euros)	2014	2013	Organic growth
Europe	2,237	2,154	-0.4%
North America	3,490	3,303	+2.3%
Asia-Pacific	861	836	+3.1%
Latin America	449	464	+7.5%
Africa and Middle East	218	196	+6.6%
TOTAL	**7,255**	**6,953**	**+2.0%**

The second revenue breakdown table below firstly shows the changes to the Publicis Groupe's big markets of Europe and North America, and secondly reflects growth in regions where the Group has been focusing some 25% of its investments.

	Revenue		
(in millions of euros)	2014	2013	Organic growth
Europe*	2,154	2,060	-0.6%
North America	3,490	3,303	+2.3%
BRIC + MISSAT**	938	918	+3.5%
Rest of the world	673	672	+6.7%
TOTAL	**7,255**	**6,953**	**+2.0%**

* *Europe, excluding Russia and Turkey.*
** *MISSAT: Mexico, Indonesia, Singapore, South Africa and Turkey.*

Europe (excluding Russia and Turkey) remained negative for 2014 with, however, a relative improvement in certain countries and still contrasting situations. France, with organic growth of +2.0%, showed a good improvement over 2013 (-0.4%), the United Kingdom, after having recorded an improvement in the first half, contracted by -3.6%, while Germany grew by +0.9%, a decrease compared with 2013. Central Europe was positive with +3.2%, as was Russia which grew by +6.8%. With negative growth of -1.1%, Southern European countries have been improving but are still experiencing difficulties.

With growth of +2.3%, North America slowed down in 2014, due to Razorfish' temporary difficulties and the poor performance of MSLGROUP's business that could not be offset by the very good growth of the healthcare business.

Growth in large BRIC and MISSAT countries, at 3.5%, represented an improvement over the second half, although Chinese growth was still far from more satisfactory growth rates (Greater China: +2.9%). India posted a good improvement with +3.4%. Mexico grew by +10.7%.

Organic growth in the rest of the world was +6.7% (Australia +9.6%, Colombia -1.3%, Malaysia -1.3%, South Korea -2.9%, South Africa -18.8%).

3.3.2 OPERATING MARGIN AND OPERATING INCOME

GLOBAL OPERATING MARGIN

It should be noted that the figures below do not include costs associated with the planned merger with Omnicom (for 2013 and 2014) or Sapient acquisition costs (in 2014). These net costs totaled euro 7 million (euro 6 million after tax) in 2014 and euro 38 million (euro 24 million after tax) in 2013.

The operating margin before depreciation and amortization amounted to euro 1,314 million for 2014, compared with euro 1,265 million in 2013, up 3.9% (euro 1,307 million for 2014 and euro 1,227 million in 2013, as published).

The operating margin was euro 1,189 million (1,182 million as published), a 3.8% increase compared with euro 1,145 million in 2013 (euro 1,107 million as published).

Personnel expenses of euro 4,506 million in 2014 compared with euro 4,330 million for the same period in 2013 increased by 4.1% and represented 62.1% of the consolidated revenue (62.3% in 2013). Independent contractor (freelance) expenses totaled euro 295 million, slightly down (-1.0%), while restructuring costs amounted to euro 69 million, compared with 79 million in 2013. The ratio of fixed personnel expenses (54.7% of total revenue) was up 20 basis points compared with 2013. The Group intends to pursue its policy of investing in top talent in growth businesses or regions. Ongoing program development (the deployment of the ERP, production platforms, continuation of the process of regionalizing shared service centers or developments) as well as simplifying the organization will make it possible to reduce these medium-term expenses.

Other operating expenses (excluding impairment losses) stood at euro 1,435 million (euro 1,442 million as published). They represented 19.8% of total revenue (19.5% in 2013). Sales costs increased to euro 326 million, or 4.5% of revenue (4.1% in 2013). Administrative costs continued to fall thanks to the optimization plans concerning various operating expenses through the process of regionalizing shared service centers. Costs related to acquisitions (excluding Sapient acquisition costs) had an impact of euro 10 million.

Depreciation and amortization for 2014 amounted to euro 125 million, compared with euro 120 million for the same period in 2013.

The operating margin rate for the year was 16.4%, excluding merger costs and Sapient acquisition costs.

Operating margins by major regions amounted to 11.5% for Europe, 20.5% for North America, 13.4% for Asia-Pacific, 13.6% for Latin America and 18.3% for Africa & the Middle East.

OPERATING INCOME

Amortization of intangible assets arising from acquisitions was euro 51 million in 2014, compared with euro 49 million in 2013. An impairment loss of euro 72 million was also recorded (compared with euro 4 million the previous year), which primarily concerns the MSL Group and BBH networks; other non-current income and expenses stood at euro 10 million, corresponding mainly to gains and losses on disposals of assets, compared with euro 69 million in 2013 (this amount included a gain of euro 47 million on the sale of the 1.1% interest held by the Group in the Interpublic Group).

Operating profit was euro 1,076 million in 2014, excluding merger costs and Sapient acquisition costs, compared with euro 1,161 million the year before, representing a fall of 7.3%.

3.3.3 OTHER INCOME STATEMENT ITEMS

Financial income and expenses, comprised of the cost of net financial debt and other financial income and expenses, was a net expense of euro 28 million in 2014, compared with an expense of euro 21 million the previous year. Interest on net debt dropped compared with the previous year (finance costs savings of euro 3 million), other financial income and expenses deteriorated by euro 10 million. This is mainly the result of two factors: the decline in exchange gains related to a non-recurring profit of euro 7.5 million in 2013 and the decrease of euro 3 million in the remeasurement adjustment on debt related to long-term equity investments (earn-out).

Income tax expense for the year was euro 311 million resulting in an effective tax rate of 28.0%, *versus* euro 298 million in 2013 corresponding to an effective rate of 28.4%.

The share of profit of equity-accounted entities was euro 4 million, *versus* euro 5 million in 2013. Non-controlling interests were euro 14 million in 2014, *versus* euro 17 million in 2013.

In total, the Group's net income amounted to euro 720 million (euro 726 million excluding merger costs and Sapient acquisition costs) for the fiscal year 2014, compared with euro 792 million (euro 816 million excluding merger costs) for the fiscal year 2013.

3.4 Financial and cash position

3.4.1 CASH FLOWS

Net cash flow from operating activities amounted to an inflow of euro 1,033 million for 2014, *versus* euro 1,379 million for the previous year. The change in the working capital requirement was euro 66 million in 2014 *versus* euro 355 million in 2013, representing a fall of euro 289 million. Taxes paid totaled euro 321 million in 2014 *versus* euro 244 million the year before, with the increase being largely due to taxes paid in the United States. Interest paid amounted to euro 70 million, compared with euro 42 million in 2013, up euro 28 million from the previous year, which is mainly attributable to the costs related to the financing of the acquisition of Sapient (euro 15 million, including euro 12 million of issuance costs and fees for the two tranches of the Eurobond issued in December) and the triennial revision of the interest for the Orane. Interest received rose to euro 24 million, compared with euro 31 million in 2013, with this figure including a payment of euro 12 million received upon the unwinding of the Eurobond 2015 swap.

Cash flow from investments comprises purchases and disposals of tangible and intangible assets, net acquisitions of financial assets and acquisitions and sales of subsidiaries. Net cash flow from investing activities corresponds to using euro 585 million of cash and cash equivalents for 2014 compared with euro 753 million in 2013. The increase can be traced to the acquisitions of subsidiaries and other non-current financial assets (net of disposals) for euro 454 million in 2014 (the two major ones being Proximedia and Nurun), compared with euro 630 million the previous year (mainly the acquisition of LBi for euro 322 million). Net investment in fixed assets amounted to euro 131 million, almost the same figure as the previous year (euro 123 million).

Net cash flow from financing includes dividends paid, the change in borrowings and transaction on treasury shares and equity warrants issued by the Company. Financing activities resulted in a net inflow of euro 1,169 million for 2014, attributable to net new borrowings (euro 1,288 million) from the issuing of the Eurobond 2021 and 2024 in December 2014. In 2013, financing activities resulted in a net outflow of euro 405 million. The amount of dividends paid by the parent company in cash, despite a sharp increase in the dividend per share and global in 2014, was limited to euro 111 million (compared with 108 million in 2013) due to some shareholders opting to receive the dividend payment in shares. This option was exercised for more than half of the outstanding shares (52%, compared with 40% in 2013).

In total, the Group's cash position net of bank credit increased by euro 1,750 million in 2014, *versus* a rise of euro 96 million for the same period in the previous year.

FREE CASH FLOW

The Group's free cash flow, excluding changes in working capital requirements, was down 7% on the previous year to euro 836 million.

The Group uses this indicator to measure liquidity generated by operating activities after accounting for investments in fixed assets, before acquisitions or sales of subsidiaries and before financing activities (including the financing of working capital requirements).

The table below shows the Group's free cash flow (excluding changes in working capital requirements):

(in millions of euros)	December 31, 2014	December 31, 2013
Operating margin before depreciation and amortization	1,307	1,227
Net interest paid	(46)	(11)
Taxes paid	(321)	(244)
Other	27	52
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WCR	**967**	**1,024**
Net investment in fixed assets	(131)	(123)
FREE CASH FLOW BEFORE CHANGES IN WCR	**836**	**901**

3.4.2 SHARE CAPITAL AND DEBT (LONG AND SHORT TERM)

The Group's share of consolidated shareholders' equity increased from euro 5,095 million as at December 31, 2013 to euro 6,086 million as at December 31, 2014. The increase in shareholders' equity was largely due to profit for the year and the impact of the translation of the financial statements denominated in foreign currencies (euro 340 million), offset by dividends paid out in cash (euro 111 million). Non-controlling interests totaled euro 29 million, compared with euro 38 million at December 31, 2013.

NET FINANCIAL DEBT (NET CASH AND CASH EQUIVALENTS)

(in millions of euros)	December 31, 2014	December 31, 2013
Borrowings (long and short-term)	2,160	860
Fair value of derivative hedging exposure on Eurobond 2021 and 2024[1]	27	-
Fair value of derivatives hedging on intra-group loans/borrowings[1]	(14)	(11)
TOTAL BORROWINGS INCLUDING MARKET VALUE OF ASSOCIATED DERIVATIVES	**2,173**	**849**
Cash and cash equivalents	(3,158)	(1,442)
NET FINANCIAL DEBT (NET CASH AND CASH EQUIVALENTS)	**(985)**	**(593)**

(1) Reported under "Other receivables and current assets" and/or "Other creditors and current liabilities" on the consolidated balance sheet.

The 2014 fiscal year ended with a positive net cash position of euro 985 million, compared with euro 593 million at the end of 2013, an improvement of euro 392 million.

This improvement is even more striking considering that the Group had an average net cash position of 93 million in 2014, compared with an average net debt position of 490 million in 2013.

The Group's gross consolidated debt was euro 2,160 million as at December 31, 2014, compared with euro 860 million as at December 31, 2013. This debt consisted of 76% long-term borrowings (see Note 22 to the consolidated financial statements as at December 31, 2014 for a detailed maturity schedule of Group debt). The increase in gross debt is largely attributable to the issuing, in December 2014, of a Eurobond with two tranches, one of euro 600 million and one of euro 700 million, maturing in 2024 and 2021, respectively.

The financial liabilities, after taking into account the interest rate swaps on the Eurobond issued in December 2014, are essentially made up of fixed-rate borrowings (61% of the gross debt excluding debt related to long-term equity investments and commitments to buy out non-controlling interests as at December 31, 2014) with an average rate recorded for 2014 of 4%.

Debt breakdown by currency (after currency swaps) as at December 31, 2014 was as follows: euro 373 million denominated in euros, euro 1,585 million denominated in US dollars, and euro 215 million denominated 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 ratios were complied with at the end of the fiscal year, as the following table shows:

	Optimal ratio	December 31, 2014	December 31, 2013
Average net debt/operating margin before depreciation and amortization[1]	< 1.50	n/a	0.40
Net debt/equity[1]	< 0.5	n/a	n/a
Coverage of interest on operating margin before depreciation/cost of net financial debt	> 7	57	47

(1) Not applicable as the cash position was positive as at December 31, 2013 and 2014. Not applicable for the average net debt in 2014.

3.4.3 BORROWINGS AND STRUCTURE OF THE GROUP'S FINANCING

In order to manage its liquidity risk, Publicis has substantial cash and cash equivalents amounting to euro 3,158 million and confirmed unused credit lines amounting to euro 3,473 million as of December 31, 2014. The two main components of these credit lines are a multi-currency syndicated loan of euro 1,200 million, maturing in 2016, and a credit facility of euro 1,556 million (USD 1,890 million). The credit facility was refinanced through a medium-term syndicated loan in the amount of USD 1,600 million granted on January 20, 2015 and maturing in 2018, 2019 and 2020.

These amounts, which are available or can be made available almost immediately, were sufficient to allow the Group to complete the all-cash acquisition of Sapient on February 6, 2015 and meet its short-term borrowings obligations, notably including the redemption of a euro 253 million Eurobond on March 31, 2015 and non-controlling interests buyout commitments.

Group cash management continued to benefit from the introduction of local centralized cash-pooling centers in the Group's main markets. Since 2006, an international cash pooling structure has been implemented with the goal of pooling 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 credit rating agencies, Standard & Poor's and Moody's. At the date of this Registration Document, the ratings are: BBB+ for Standard & Poor's and Baa2 for Moody's.

It should be noted that in the context of the Sapient acquisition, the two rating agencies, Standard & Poor's and Moody's, have confirmed their current ratings of the Group.

See also Notes 22 and 26 to the consolidated financial statements (Section 4.6).

3.4.4 RESTRICTIONS ON USE OF CAPITAL

As of December 31, 2014 and the date of the closing of accounts, there were no rating triggers or financial covenants for short-term bank credit lines, syndicated loans, confirmed medium-term bilateral bank credit lines or bond debt likely to restrict 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.

3.4.5 SOURCES OF FINANCING

Given its cash position and its confirmed unused credit lines amounting to a combined total of euro 6,631 million as of December 31, 2014, the Group has the necessary cash resources to meet its operating requirements and investment plan over the next 12 months, including the USD 3.5 billion acquisition of the Sapient Group that was completed in early February 2015.

3.5 Publicis Groupe SA (Group parent company)

Publicis Groupe SA's revenue consists exclusively of property rental income and management fees for services rendered to subsidiaries of the Group. Total operating profit amounted to euro 82 million for 2014, *versus* euro 28 million for the previous year. This growth is directly related to the staff transfers that were carried out as part of the reorganization of the central teams for the proposed merger with Omnicom.

Financial income increased to euro 131 million in 2014 *versus* euro 804 million the previous year, the 2013 financial income includes an exceptional dividend of euro 593 million from Publicis Groupe Investments BV.

Operating expenses amounted to euro 89 million *versus* euro 35 million the previous year, with it being necessary to specify that the costs related to the merger between Publicis Groupe SA and Omnicom Group Inc. in the amount of euro 37 million, which were recorded on the balance sheet at the end of the previous year (as they were to be accounted for as start-up costs), were reclassified to expenses for the 2014 fiscal year.

Financial expenses reached euro 159 million for 2014, compared with euro 278 million in 2013, with the 2013 amount including a euro 89 million addition to provisions for MMS France Holdings shares.

Pre-tax losses from recurring operations totaled euro 35 million loss, compared with a pre-tax profit of euro 518 million profit in 2013.

After taking into account an income tax credit of euro 32 million resulting from French tax consolidation, Publicis Groupe, parent company of the Group, recorded a loss of euro 3 million for 2014 *versus* a profit of euro 552 million in 2013.

The breakdown at close of the last two fiscal years of outstanding trade payables by due date was as follows:

Information on supplier payment periods (Article 441-6-1 of the French Commercial Code)

Accounts payable (in thousands of euros)	Total at 12/31/2014	Total at 12/31/2013
Invoices not yet due	621	2,946
Invoices less than 60 days overdue	399	741
Invoices over 60 days overdue	1,079	567
TOTAL	**2,099**	**4,254**

The General Shareholders' Meeting called to approve the 2014 financial statements will be proposed to:

1) **appropriate the 2014 loss of euro 3,006,653.05 to previously retained earnings of euro 1,158,886,408.86, representing distributable earnings of euro 1,155,879,755.81;**
2) **pay out dividends in the amount of euro 265,444,628.40 (on the basis of a dividend per share amount of euro 1.20 and 221,203,857 shares, including treasury shares as at December 31, 2014) from distributable earnings, which will decrease from euro 1,155,879,755.81 to euro 890,435,127.41.**

3.6 Dividend distribution policy

Dividend paid for year	Number of shares that received dividends*	Dividend per share (in euros)	Total dividend distribution (in millions of euros)	Share price at December 31 (in euros)	Yield
2010	184,024,870	0.70	128.8	39.00	1.79%
2011	170,644,648	0.70	119.5	35.545	1.97%
2012	197,977,185	0.90	178.2	45.25	1.99%
2013	208,639,984	1.10	229.5	66.51	1.65%
2014	**221,203,857***	**1.20****	**265.4**	**59.64**	**2.01%**

* *Number of dividend-bearing shares after deducting treasury shares, except for the 2014 appropriation, which includes treasury shares existing as at December 31, 2014.*
** *Dividend proposed at the GSM of May 27, 2015.*

The dividends will be time-barred after five years. They are then paid to the French state.

For the past several years, the Company's dividend distribution policy focused on ensuring regular dividend payments to its shareholders while maintaining sufficient cash flow to finance its development.

Seeking to manage its resources prudently against a global financial crisis backdrop, the Group maintained the proposed dividend in respect of 2010 and 2011 earnings at euro 0.70 per share. For the 2012 fiscal year, the dividend was increased to euro 0.90 per share given the commitment made by the Group to gradually increase the payout ratio to eventually reach 35% over time. This dividend was paid in cash and in shares. The dividend proposed for 2013 was euro 1.10 per share. It was paid in cash and in shares.

The Company raised its medium-term payout ratio commitment to 42%, reflecting its determination to reach the average payout ratio for its industry. In order to honor this commitment, a proposal will be made in respect of 2014 to increase the dividend to euro 1.20 per share, which represents a payout ratio of 37.3%. Subject to the approval of the General Shareholders' Meeting and in line with the proposals for the last two years, the dividend will be paid in cash or in shares.

3.7 Outlook

The trends described below do not constitute forecasts or profit estimates as defined by modified European Regulation no. 809/2004 of April 29, 2004 used in application of directive 2003/71/00 of the European Parliament and Council of November 4, 2003.

For 2015, the ZenithOptimedia Media Forecasting Department anticipates the global advertising market (media) recording growth of 4.9%, which would correspond to an estimated increase of 3%-3.5% in the revenue of the agencies.

Despite the improvement in the figures for the fourth quarter 2014, growth remained modest, however all of the other Group indicators were positive.

In 2015, the Group should see growth gradually returning to higher levels with a stronger rise in the second half.

The great challenge for the Group will be the integration of Sapient. Publicis Groupe is recognized for its ability to carry out successful integrations and deliver related synergies. It is confident about the performance of the various projects in 2015 and the construction of the Publicis. Sapient platform, which will enable the Group to reposition itself in the markets of the future.

CONSOLIDATED FINANCIAL STATEMENTS – YEAR 2014

4.1 Consolidated income statement

(in millions of euros)	Notes	2014	2013	2012
REVENUE		**7,255**	**6,953**	**6,610**
Personnel expenses	3	(4,506)	(4,330)	(4,078)
Other operating expenses	4	(1,442)	(1,396)	(1,344)
OPERATING MARGIN BEFORE DEPRECIATION AND AMORTIZATION		**1,307**	**1,227**	**1,188**
Depreciation and amortization expense (excluding intangibles arising from acquisitions)	5	(125)	(120)	(126)
OPERATING MARGIN		**1,182**	**1,107**	**1,062**
Amortization of intangibles arising from acquisitions	5	(51)	(49)	(45)
Impairment loss	5	(72)	(4)	(11)
Non-current income and expenses	6	10	69	39
OPERATING INCOME		**1,069**	**1,123**	**1,045**
Financial expenses	7	(48)	(46)	(71)
Financial income	7	25	20	41
COST OF NET FINANCIAL DEBT	**7**	**(23)**	**(26)**	**(30)**
Other financial income and expenses	7	(5)	5	(2)
PRE-TAX INCOME OF CONSOLIDATED COMPANIES		**1,041**	**1,102**	**1,013**
Income taxes	8	(311)	(298)	(279)
NET INCOME OF CONSOLIDATED COMPANIES		**730**	**804**	**734**
Share of profit of associates	13	4	5	25
NET INCOME		**734**	**809**	**759**
Of which:				
• Net income attributable to non-controlling interests		14	17	27
• **Net income attributable to equity holders of the parent company**		**720**	**792**	**732**

Per share data (in euros) - Net income attributable to equity holders of the parent company	9			
Number of shares		*223,868,360*	*215,516,919*	*201,032,235*
Earnings per share		3.22	3.67	3.64
Number of diluted shares		*227,772,479*	*224,430,805*	*224,143,700*
Diluted earnings per share		3.16	3.54	3.34

4.2 Consolidated statement of comprehensive income

(in millions of euros)	2014	2013	2012
NET INCOME FOR THE PERIOD (A)	734	809	759
Comprehensive income that will not be reclassified to profit or loss			
• Actuarial gains (and losses) on defined benefit plans	(43)	26	(30)
• Deferred taxes on comprehensive income that will not be reclassified to profit or loss	(17)	(12)	6
Comprehensive income that may be reclassified to profit or loss			
• Revaluation of available-for-sale investments	5	(26)	4
• Consolidation translation adjustments	338	(249)	(61)
• Deferred taxes on comprehensive income that may be reclassified to profit or loss	(1)	3	-
TOTAL OTHER COMPREHENSIVE INCOME (B)	282	(258)	(81)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A) + (B)	**1,016**	**551**	**678**
Of which:			
• Total comprehensive income attributable to non-controlling interests	11	11	24
• Total comprehensive income attributable to equity holders of the parent company	1,005	540	654

4.3 Consolidated balance sheet

(in millions of euros)	Notes	December 31, 2014	December 31, 2013*	December 31, 2012*
Assets				
Goodwill, net	10	7,006	6,123	5,667
Intangible assets, net	11	955	939	982
Property, plant and equipment, net	12	552	513	506
Deferred tax assets	8	133	126	96
Investments in associates	13	36	28	23
Other financial assets	14	195	121	242
NON-CURRENT ASSETS		**8,877**	**7,850**	**7,516**
Inventories and work in progress	15	320	307	342
Trade receivables	16	7,676	6,994	6,841
Other current receivables and assets	17	595	517	591
Cash and cash equivalents	18	3,158	1,442	1,314
CURRENT ASSETS		**11,749**	**9,260**	**9,088**
TOTAL ASSETS		**20,626**	**17,110**	**16,604**
Equity and liabilities				
Share capital		88	86	84
Additional paid-in capital and retained earnings, Group share		5,998	5,009	4,531
Equity attributable to holders of the parent company	**19**	**6,086**	**5,095**	**4,615**
Non controlling interests		29	38	44
TOTAL EQUITY		**6,115**	**5,133**	**4,659**
Long-term borrowings	22	1,627	538	730
Deferred tax liabilities	8	360	295	238
Long-term provisions	20	442	368	464
NON-CURRENT LIABILITIES		**2,429**	**1,201**	**1,432**
Trade payables		9,640	8,636	8,249
Short-term borrowings	22	533	322	379
Income taxes payable		72	31	65
Short-term provisions	20	125	139	166
Other creditors and current liabilities	23	1,712	1,648	1,654
CURRENT LIABILITIES		**12,082**	**10,776**	**10,513**
TOTAL EQUITY AND LIABILITIES		**20,626**	**17,110**	**16,604**

* *Figures have been restated as explained in Note 1. "Accounting policies" in accordance with IFRIC 21.*

4.4 Consolidated statement of cash flows

(in millions of euros)	2014	2013	2012
Cash flows from operating activities			
Net income	734	809	759
Neutralization of non-cash income and expenses:			
Income taxes	311	298	279
Cost of net financial debt	23	26	30
Capital (gains) losses on disposals (before tax)	(9)	(68)	(38)
Depreciation, amortization and impairment loss on property, plant and equipment and intangible assets	248	173	182
Non-cash expenses on stock options and similar items	34	40	26
Other non-cash income and expenses	(4)	2	(1)
Share of profit of associates	(4)	(5)	(25)
Dividends received from associates	1	4	8
Taxes paid	(321)	(244)	(306)
Interest paid	(70)	(42)	(61)
Interest received	24	31	24
Change in working capital requirements[1]	66	355	155
NET CASH FLOWS GENERATED BY (USED IN) OPERATING ACTIVITIES (I)	**1,033**	**1,379**	**1,032**
Cash flows from investing activities			
Purchases of property, plant and equipment and intangible assets	(135)	(126)	(123)
Disposals of property, plant and equipment and intangible assets	4	3	3
Purchases of investments and other financial assets, net	(52)	49	(120)
Acquisitions of subsidiaries	(403)	(686)	(369)
Disposals of subsidiaries	1	7	-
NET CASH FLOWS GENERATED BY (USED IN) INVESTING ACTIVITIES (II)	**(585)**	**(753)**	**(609)**
Cash flows from financing activities			
Dividends paid to holders of the parent company	(111)	(108)	(119)
Dividends paid to non-controlling interests	(15)	(22)	(31)
Proceeds from borrowings	1,349	1	16
Repayment of borrowings	(23)	(102)	(546)
Net purchases of non-controlling interests	(76)	(102)	(30)
Net (purchases)/sales of treasury shares and warrants	45	(72)	(566)
NET CASH FLOWS GENERATED BY (USED IN) FINANCING ACTIVITIES (III)	**1,169**	**(405)**	**(1,276)**
Impact of exchange rate fluctuations (IV)	**133**	**(125)**	**(7)**
CHANGE IN CONSOLIDATED CASH AND CASH EQUIVALENTS (I + II + III + IV)	**1,750**	**96**	**(860)**
Cash and cash equivalents on January 1	1,442	1,314	2,174
Bank overdrafts on January 1	(60)	(28)	(28)
Net cash and cash equivalents at beginning of year (V)	**1,382**	**1,286**	**2,146**
Cash and cash equivalents on December 31 (Note 18)	3,158	1,442	1,314
Bank overdrafts on December 31 (Note 22)	(26)	(60)	(28)
Net cash and cash equivalents at end of year (VI)	**3,132**	**1,382**	**1,286**
CHANGE IN CONSOLIDATED CASH AND CASH EQUIVALENTS (VI - V)	**1,750**	**96**	**(860)**
(1) Breakdown of change in working capital requirements			
Change in inventory and work in progress	*10*	*34*	*41*
Change in accounts receivable and other receivables	*(65)*	*(305)*	*(426)*
Change in accounts payable, other payables and provisions	*121*	*626*	*540*
Change in working capital requirements	**66**	**355**	**155**

4.5 Consolidated statement of changes in equity

Number of outstanding shares	(in millions of euros)	Share capital	Additional paid-in capital
185,996,063	**DECEMBER 31, 2011***	**77**	**2,479**
	Net income		
	Other comprehensive income, net of tax		
	TOTAL INCOME AND EXPENSES FOR THE PERIOD	-	-
(9,197,684)	Publicis Groupe SA capital increase and cancellation of treasury shares	(4)	(334)
	Dividends		
	Share-based compensation, net of tax		
	Additional interest on Orane		
	Effect of acquisitions and commitments to buy-out non-controlling interests		
25,900,629	Océane 2014 conversion	11	706
(3,495,358)	Purchases/sales of treasury shares		
199,203,650	**DECEMBER 31, 2012***	**84**	**2,851**
	Net income		
	Other comprehensive income, net of tax		
	TOTAL INCOME AND EXPENSES FOR THE PERIOD		
1,562,129	Publicis Groupe SA capital increase	1	47
1,361,502	Dividends		70
292,076	Share-based compensation, net of tax		
	Additional interest on Orane		
	Effect of acquisitions and commitments to buy-out non-controlling interests		
2,798,937	Equity warrant exercise	1	83
2,096,233	Océane 2018 conversion		
(727,265)	Purchases/sales of treasury shares		
206,587,262	**DECEMBER 31, 2013***	**86**	**3,051**
	Net income		
	Other comprehensive income, net of tax		
	TOTAL INCOME AND EXPENSES FOR THE PERIOD		
1,585,411	Publicis Groupe SA capital increase	1	47
2,094,672	Dividends	1	118
815,623	Share-based compensation, net of tax		
	Effect of acquisitions and commitments to buy-out non-controlling interests		
684,773	Equity warrant exercise		20
562,921	Océane 2018 conversion		
977,829	Purchases/sales of treasury shares		
213,308,491	**DECEMBER 31, 2014**	**88**	**3,236**

* *Figures have been restated as explained in Note 1. "Accounting policies" in accordance with IFRIC 21.*

Reserves and earnings brought forward	Translation reserve	Fair value reserve	Equity attributable to the holders of the parent company	Non controlling interests	Total equity
1,254	**(39)**	**130**	**3,901**	**33**	**3,934**
732			732	27	759
(24)	(58)	4	(78)	(3)	(81)
708	**(58)**	**4**	**654**	**24**	**678**
(47)			(385)		(385)
(119)			(119)	(31)	(150)
39			39		39
(8)			(8)		(8)
20			20	18	38
(23)			694		694
(181)			(181)		(181)
1,643	**(97)**	**134**	**4,615**	**44**	**4,659**
792			792	17	809
14	(240)	(26)	(252)	(6)	(258)
806	**(240)**	**(26)**	**540**	**11**	**551**
(48)			-		-
(178)			(108)	(22)	(130)
61			61		61
(20)			(20)		(20)
(20)			(20)	5	(15)
			84		84
100			100		100
(157)			(157)		(157)
2,187	**(337)**	**108**	**5,095**	**38**	**5,133**
720			720	14	734
(60)	340	5	285	(3)	282
660	**340**	**5**	**1,005**	**11**	**1,016**
(48)			-		-
(230)			(111)	(15)	(126)
34			34		34
(9)			(9)	(5)	(14)
			20		20
27			27		27
25			25		25
2,646	**3**	**113**	**6,086**	**29**	**6,115**

4.6 Notes to the consolidated financial statements

DETAILED SUMMARY OF NOTES

Note 1 Accounting policies

Pursuant to European Regulation no. 1606/2002 of July 19, 2002 pertaining to international accounting standards, the 2014 consolidated financial statements were prepared in accordance with IAS/IFRS standards and IFRIC interpretations applicable on December 31, 2014 as approved by the European Union.

The financial statements for the 2014 financial year are presented alongside comparative figures for 2013 and 2012, which were also prepared under IAS/IFRS.

The financial statements were approved by the Management Board on February 5, 2015 and reviewed by the Supervisory Board on February 11, 2015. They will be submitted for the approval by the shareholders at the General Shareholders' Meeting on May 27, 2015.

1.1 Impact of IFRS standards and IFRIC interpretations taking effect as of January 1, 2014 and impact of published IFRS standards and IFRIC interpretations not yet in force

Compliance with IFRS standards as adopted by the European Union

The accounting principles adopted for the preparation of the consolidated financial statements comply with IFRS standards and IFRIC interpretations, as adopted by the European Union as of December 31, 2014, and published on the following website:

http://ec.europa.eu/internal_market/accounting/legal_framework/regulations_adopting_ias/index_en.htm

These accounting principles are consistent with those applied to prepare the annual consolidated financial statements for the financial year ending December 31, 2013, except for the following standards and interpretations.

Application of new standards and interpretations

At December 31, 2014, Publicis Groupe applied the same accounting standards, interpretations, principles and policies as for the 2013 financial statements.

The Group's application of the following standards and interpretations, adopted by the European Union and mandatory in financial years beginning on or after January 1, 2014, had no major impact on the Group's financial statements:

- IAS 32 – Offsetting Financial Assets and Financial Liabilities;
- Amendments to IAS 39 – Financial Instruments: Classification and Measurement of Financial Assets, Fair Value Option for Financial Liabilities and Hedge Accounting;
- Amendment to IAS 36 – Recoverable Amount Disclosures for Non-Financial Assets;

For reference, Publicis Groupe applied early at December 31, 2013 the new consolidation standards IFRS 10, IFRS 11 and IFRS 12 along with their amendments.

Early application

IFRIC 21 – Levies, published by the IASB, and adopted by the European Union for financial years beginning on or after June 17, 2014 was applied early at January 1, 2014. This interpretation provides guidance on when to recognize a liability for a levy; it does not include income tax. Accordingly, a liability for a levy can only be recognized where there is a present obligation at the reporting date.

For the Group, this new interpretation affects the recognition of a number of levies, primarily in France and the United States.

This change in recognition did not impact the income statement at December 31, 2014 or the 2012 and 2013 income statements.

In the balance sheet, the only accounts restated were:

- Other payables and current liabilities, which were down by euro 2 million at December 31, 2013 and 2012;
- Deferred tax assets, which were down euro 1 million at December 31, 2013 and 2012;
- Equity, which was up euro 1 million at January 1, 2012, December 31, 2012 and December 31, 2013.

Compliance with the IFRS standards as published by the IASB

The principles applied by the Group do not differ from IFRS standards as published by the IASB, since the application of the following standards and interpretations is not mandatory in financial years beginning on or after January 1, 2014:

- IFRS 9 and amendments to IFRS 9 – Financial Instruments: Classification and Measurement of Financial Assets, Fair Value Option for Financial Liabilities and Hedge Accounting;
- Amendments to IAS 19 – Defined Benefit Plans: Employee Contributions;

- IFRS 15 – Revenue from Contracts with Customers.

Publicis is currently in the process of determining the potential impact of the application of these new standards and interpretations on the Group's consolidated financial statements.

1.2 Consolidation principles and policies

Reporting currency of the consolidated financial statements

Publicis prepares and publishes its consolidated financial statements in euros.

Investments in subsidiaries

The consolidated financial statements include the financial statements of Publicis Groupe SA and of 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 exercised when the Group is exposed or entitled to the variable returns and provided that it can exercise its power to influence such returns.

Investments in associates

The Group's investments in associates are accounted for under the equity method. An associate is a company over which the Group has significant influence but not the control, or a company which is subject to the joint control of the Group, which generally implies an ownership percentage of between 20% and 50% of the voting rights.

Investments in associates are recognized in the balance sheet at their acquisition cost and adjusted to reflect subsequent changes to the Group's share in the net assets of the associate, in accordance with the equity method. 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 Section 1.3 below. The income statement reflects the Group's share of the associate's net income after taxes for the period.

Joint arrangements

There are two distinct accounting methods:

- partnerships recognized as joint operations are recorded up to the percentage of assets, liabilities, proceeds and expenses controlled by the Group;
- partnerships recognized as joint ventures are consolidated under a method similar to equity accounting to the extent that they only give rights to the net assets of the entity.

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 at the reporting 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 financial statements of subsidiaries located outside the euro zone that are presented in local currencies 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;
- the income statement is translated at the average exchange rate over the year;
- translation adjustments resulting from the application of these rates are recognized in "Other comprehensive income items – Translation reserve" for the Group share, with the remainder being recorded as "Non-controlling interests (minority interests)".

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 company and translated at the exchange rate applying at the reporting date.

Elimination of intra-group transactions

Transactions between consolidated subsidiaries are fully eliminated, as are the corresponding receivables and payables. Similarly, intercompany gains or losses on sales, internal dividends, and provisions relating to subsidiaries are eliminated from consolidated results, except in the case of impairment loss.

1.3 Accounting principles

Business combinations effective before January 1, 2010

The following accounting treatments were applied to business combinations prior to January 1, 2010:

- the transaction costs directly attributable to the acquisition were included in the acquisition cost;
- shareholdings not conferring control (minority interests) were measured in terms of the share of the fair value of the net assets of the entity acquired;
- restructuring of companies carried out in several stages were accounted for as separate transactions. Any additional share acquired did not affect previously recognized goodwill;
- price adjustments were recognized at the acquisition date if and only if the Group had a current obligation with a likely settlement which could be reliably assessed. Changes in estimations of the amount of the price adjustment affected goodwill. These arrangements continue to be applied to the variations, subsequent to January 1, 2010, of price adjustments in relation to business combinations prior to this date;
- initially, the commitments to buy-out non-controlling interests were recognized as borrowings at the discounted value of the purchase obligation, with a double entry booked to non-controlling interests and the remainder to goodwill; subsequent changes in the amount of the obligation were recognized by adjusting the amount of goodwill. These arrangements continue to be applied to the subsequent changes to commitments prior to January 1, 2010.

Business combinations effective as of January 1, 2010

Business combinations have been treated in the following manner:

- identifiable assets acquired and liabilities assumed are recognized at their fair value on the acquisition date;
- non-controlling interests in the acquired business (minority interests) are recognized either at fair value or at the proportionate share of the fair value of identifiable net assets in the acquired business. This option is available on a case-by-case basis for each business combination.

Acquisition costs are recognized as an expense when incurred and are recorded under "Other operating expenses" in the consolidated income statement.

Any earn out payments on business combinations are recognized at fair value on the acquisition date. After the acquisition date, earn out payments are recognized at their fair value on the balance sheet date. As of the end of the period for allocating the acquisition price, which comes one year following the acquisition date at the latest, any change in this fair value will be recorded in income. Within this allocation period, any changes in this fair value explicitly linked to events subsequent to the acquisition date will also be recognized in income. Other changes will be recognized as an offset to goodwill.

However, these provisions do not apply to earn out payments linked to acquisitions prior to January 1, 2010. These earn out payments are recognized according to the provisions of IFRS 3 (before its revision) which provides for the recognition of earn out payments as an offset to goodwill, without any time limitation.

At the acquisition date, goodwill represents the difference between:

- the fair value of the transferred asset, including earn out payments, plus the amount of non-controlling interests in the acquired company and, where a business combination occurs in several stages, the fair value at the acquisition date of the interest previously held by the buyer in the acquired company, which is adjusted through income; and
- the net residual value of identifiable assets acquired and liabilities assumed at the acquisition date and recorded at fair value.

Although deferred tax assets were not recognized at the acquisition date because their recoverability was uncertain, any subsequent recognition or utilization of these deferred taxes after the allocation period will be recorded as an offset to income (*i.e.* with no impact on the amount recorded as goodwill).

BUY-OUT COMMITMENTS TO NON-CONTROLLING INTERESTS UPON BUSINESS COMBINATIONS

Pending an IFRIC interpretation or a specific IFRS standard on this matter, the following accounting treatment has been adopted in accordance with currently applicable IFRS standards and the AMF recommendation:

- initially, these commitments are recognized in borrowings at the present value of the buy-out amount, with a double entry booked in diminution of equity;
- subsequent changes in the value of the commitment (including the effect of discounting) are recognized by adjusting equity on the grounds that it is a transaction between shareholders.

ADDITIONAL ACQUISITION OF SECURITIES WITH THE EXCLUSIVE TAKEOVER OF AN ENTITY PREVIOUSLY UNDER SIGNIFICANT INFLUENCE

The exclusive takeover leads to the recognition of a disposal gain or loss calculated on the entire interest at the transaction date. The previously held interest is thus remeasured at fair value through the income statement at the time of the exclusive takeover.

ADDITIONAL ACQUISITION OF SECURITIES AFTER THE EXCLUSIVE TAKEOVER

When additional securities are acquired in an entity that is already exclusively controlled, the difference between the acquisition price of these securities and the proportion of additional consolidated equity acquired is recognized as equity attributable to shareholders of the parent company of the Group. The consolidated value of the subsidiary's identifiable assets and liabilities, including goodwill, is thus left unchanged.

In the statement of cash flows, the acquisition of additional securities in an entity already controlled is presented as net cash flow relating to financing activities.

SALE OF SECURITIES WITHOUT LOSS OF EXCLUSIVE CONTROL

In the event of a partial sale of securities in an exclusively controlled entity that does not modify control of this entity, the difference between the fair value of the sale price of the securities and the proportion of consolidated equity capital that these securities represent at the date of sale is recognized as equity attributable to shareholders in the parent company of the Group. The consolidated value of the subsidiary's identifiable assets and liabilities, including goodwill, is thus left unchanged.

In the statement of cash flows, the sale of securities without loss of exclusive control is presented as net cash flow relating to financing activities.

SALE OF SECURITIES WITH LOSS OF EXCLUSIVE CONTROL BUT RETENTION OF AN EQUITY INTEREST

The loss of exclusive control leads to the recognition of a disposal gain or loss calculated on the entire interest held at the transaction date.

Any residual interest is therefore remeasured at fair value through the income statement at the time of the exclusive loss of control.

Research and study costs

Publicis recognizes expenditures for studies and research as expenses attributable to the financial year in which they are incurred. This expenditure principally relates to the following items: studies and tests relating to advertising campaigns, research programs into consumer behavior or clients' needs in various areas, and studies and modeling to optimize media buying for the Group's clients.

Development expenditures incurred for an individual project are capitalized once they are considered to be reasonably certain of being recovered in the future. Any capitalized expense is amortized over the future period during which the project is expected to generate income.

Goodwill

When a takeover takes place in a single transaction, goodwill is equal to the fair value of the consideration paid to acquire the securities (including any earn out payments which are recorded at fair value at the takeover date), plus the value of non-controlling interests (these items are valued for each business combination either at fair value or at the proportionate share of the fair value of the net assets of the acquired business and minus the fair value of assets, liabilities and contingent liabilities identified at the acquisition date).

Goodwill that is recorded in the balance sheet is not amortized but is instead subject to impairment tests on at least an annual basis. Impairment tests are performed for the cash-generating unit(s) to which goodwill has been allocated by comparing the recoverable value and the carrying amount of the cash-generating unit(s). The Group considers each agency or group of agencies to be a cash-generating unit.

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 rate used reflects current market assessments of the time value of money and the specific risks to which the cash-generating unit is exposed.

If the carrying amount of a cash-generating unit is higher 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 and then against other assets.

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, separately 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 primarily consist of trade names, client relationships, technology, e-mail address databases and softwares.

Trade names, which are considered to have indefinite useful lives, are not amortized. They are subject to impairment tests, at least once a year, which involve comparing their recoverable value to their carrying amount. Any impairment loss 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 assets result from the Group's engagement in digital activities. They are amortized over a 3 to 4-year period.

E-mail address databases are used in direct e-mailing campaigns. These databases are amortized over 2 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. For client contracts, the method involves discounting future cash flows generated by the client. Valuations are carried out by independent appraisers. The parameters used are consistent with those used to measure goodwill.

Capitalized softwares include 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:

- ERP: 8 years;
- Other: 3 years maximum.

Property, plant and equipment

Items of property, plant and equipment are measured at cost minus accumulated depreciation and impairment loss.

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.

Items of property, plant and equipment are depreciated on a straight-line basis over each asset's estimated useful life. The useful life of property, plant 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 equipment and furniture: 5 to 10 years;
- Vehicles: 4 years;
- IT equipment: 2 to 4 years.

If any indicators suggesting impairment loss exist for items of property, plant and equipment, the recoverable value of the property, plant and equipment or the cash-generating unit(s) to which such assets belong is compared to their carrying amount. Any impairment loss is recorded in the income statement.

Leases

Finance leases, which transfer substantially all the risks and rewards of the ownership of the leased asset to the Group, are recognized in the balance sheet from the beginning of the lease contract at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Assets acquired under finance leases are recognized in property, plant and equipment and a corresponding liability is recognized in borrowings. They are depreciated over the length of the lease contract or over the useful lives applicable to similar assets owned, whichever is 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 in 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 classified as "investments held for trading" or "available-for-sale financial assets" are measured at their fair value at the reporting date. Gains and losses on investments held for trading are recognized in income. Gains and losses on available-for-sale financial assets are recognized in equity, on a specific line, until the investment is sold or shown to be substantially or permanently impaired.

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 if they are sold or impaired, as well as 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 at the reporting date. 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 instrument, or calculated based on the cash flows that are expected from the investment.

Loans and receivables owed by associates and non-consolidated companies

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.

Inventories and work in progress

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 has not yet been invoiced. They are recognized on the basis of costs incurred and a provision is recorded when their net realizable amount is lower than cost. Un-billable work or costs incurred relating to new client development activities are not recognized as assets, except for tendering expenses which may be re-invoiced to the client under the terms of the contract. In order to assess the net realizable amount, inventory and work in progress are reviewed on a case-by-case basis and written down, if appropriate, on the basis of criteria such as the existence of commercial disputes with the client.

Trade accounts receivable

Receivables are recognized at the initial amount of the invoice. Receivables presenting a risk of non-recovery are subject to impairment. Such allowances are determined, on a case-by-case basis, 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, trade receivables are of a short-term nature. Nevertheless, any trade receivables of a longer-term nature will be recognized at their discounted value.

Derivative financial instruments

The Group uses derivatives such as foreign currency and interest rate hedges to hedge its current or future positions against foreign exchange rate risks or interest rate risks. These derivatives are measured at fair value, determined either by reference to observable market prices at the reporting date or by the use of valuation models based on market parameters at the reporting date. Including counterparty risk in the valuation of derivatives did not have a material impact.

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.

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 hedged item will change the carrying amount of this item as an offset to its effect on the income statement.

For hedges used to hedge firm or highly probable future commitments and that meet the conditions for recognition as hedge accounting (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 other comprehensive income are reported in the income statement for the period in which the hedged risk affects income; for example, when a planned sale actually occurs.

As for derivatives that do not qualify for hedge accounting, any gain or loss resulting from changes in their fair value is recognized directly in the income statement for the financial year.

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 creditors and current liabilities.

Cash and cash equivalents

Cash and cash equivalents include sight deposits, cash on hand, instruments maturing in three months or less, and UCITS and money market funds 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 close to zero.

For the purposes of the statement of cash flows, "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 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 liability and equity components are initially recognized separately. The fair value of the debt component at issuance is determined by discounting the future contractual cash flows at market rates that the Company would have had to pay on an instrument offering the same terms but without a conversion option.

The equity component is measured on issuance by deducting the fair value of the debt component from the fair value of the bond as a whole. The value of the conversion option is not revised during subsequent financial years.

Issuance costs are divided between the debt and equity components based on their respective carrying amounts at issuance.

The debt component is subsequently measured at amortized cost.

Provisions

Provisions are funded when:

- the Group has a present obligation (legal or constructive) resulting from a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- the amount of the outflow can be estimated reliably. Where the effect of the time value 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 the 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.

RESTRUCTURING PROVISIONS

The total cost of restructuring is recognized in the financial year that these actions were approved and announced.

In the context of an acquisition, restructuring plans that do not constitute liabilities for the acquired company 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 employee benefits expenses, and, in some cases, of write-downs of property, plant and equipment and other assets.

VACANT PROPERTY PROVISIONS

A provision is recognized for the amount of rent and related charges to be paid, net of any sublease revenue to be received, for all buildings that are sublet or vacant and 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 post-employment benefits

The Group recognizes obligations relating to pensions and other post-employment benefits based on the type of plan in question:

- defined contribution plans: the amount of the Group's contribution to the plan is recognized as an expense during the period;
- defined benefit plans: the commitment in respect of defined benefit plans is determined separately for each plan using the projected unit credit method. Actuarial gains and losses relating to post-employment plans and arising during the year are recorded directly in other comprehensive income. The effect of the unwinding of discounts on pension obligations net of the expected return on plan assets is recorded in "Other financial income and expenses". Various plan administrative expenses are, when directly billed to the Group, recognized under operating income.

Trade payables

This line item includes all operating payables (including notes payable and accrued supplier invoices) related to the purchase of goods and services including those related to media buying where the Company acts as agent. These payables are generally due within less than one year.

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 creative advertising and media buying services is recognized on the date of publication or broadcast;
- fees (project-based arrangements, fixed-fee arrangements, time-based arrangements, etc.): revenue under project-based agreements is recognized in the accounting period in which the service is rendered. Revenue under fixed-fee agreements is recognized on a straight-line basis, which reflects the nature and the scope of the services rendered. Revenue under time-based agreements is recognized on the basis of work done;
- fees based on performance criteria: revenue is recognized when the performance criteria have been met and the customer has confirmed its agreement.

In most of its transactions, Publicis acts as an agent for its clients. For these, Publicis calculates the net amount earned, and any expenses incurred with third-party suppliers are excluded from revenue. In certain instances, Publicis acts as the "principal", such as for example when the contract is signed directly with media suppliers. In these circumstances, Publicis recognizes the gross amount invoiced as revenue.

Publicis Groupe stock option plans

The fair value of the options granted is recognized in employee benefits expense over the vesting period of the options. It is determined by an independent expert generally using the Black-Scholes model, except for plan(s) containing market objectives in which case the Monte-Carlo method is used.

For plans containing non-market performance 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 free shares granted is recognized in employee benefits expense over the vesting period of the rights. This value is determined by an independent expert and is equal 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.

For plans containing non-market performance 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.

Non-current income and expenses

In order to facilitate the analysis of the Group's operational performance, Publicis records exceptional income and expenses under "Non-current income and expenses". This line item mainly includes gains and losses on the disposal of assets.

Operating margin before depreciation and amortization

The operating margin is equal to revenue after deducting personnel expenses, other operating expenses (excluding other non-current income and expenses as defined above).

Operating margin

The operating margin is equal to revenue after deducting personnel expenses, other operating expenses (excluding other non-current income and expenses described above) and depreciation and amortization expense (excluding intangibles from acquisitions). The operating margin, which represents operating income expressed as a percentage of revenue, is an indicator used by the Group to measure the performance of cash-generating units and of the Group as a whole.

Cost of net financial debt and other financial income and expenses

The cost of net financial debt includes financial expenses on borrowings and interest income on cash and cash equivalents.

Other financial income and expenses mainly include the effects of unwinding discounts on vacant property and pension provisions (net return on plan assets), the effect of revaluation of earn-out payments on acquisitions, changes in the fair value of derivatives and foreign exchange gains and losses.

Income tax

Net income for the period 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 at the reporting date.

Deferred tax assets are recognized for deductible temporary differences, tax loss carryforwards and unused tax credits to the extent that it is probable that there will be taxable income for the period (either from the reversal of the temporary differences or generated by the entity) against which such items can be charged in future years.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced if it is no longer probable that there will be sufficient taxable income for the period to take advantage of all or part of this deferred tax asset. Deferred tax assets that are unrecognized are measured on every reporting date and recognized if it is likely that they will be usable against future taxable income for the period.

Deferred tax assets and liabilities are measured on the basis of tax rates expected to be applicable in the year in which the asset is realized or the liability settled. The tax rates used are those that have been enacted, or virtually enacted, at the reporting date.

Earnings per share and diluted earnings per share (EPS and diluted EPS)

Earnings per share are calculated by dividing net income for the financial year attributable to ordinary shares by the weighted average number of ordinary shares outstanding during the period, including the effect of the redemption of Orane in shares, as Orane are contractually redeemable in ordinary shares.

Diluted earnings per share are calculated by dividing net income for the financial year attributable to ordinary shares, after cancellation of interest on bonds redeemable for, or convertible into, ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year adjusted to reflect the effect of options, free shares granted, outstanding warrants and the conversion of bonds convertible into shares (Océane). 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, free shares 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 and the free shares actually received.

The proceeds from the exercise of these instruments are deemed to have been received with the issue of ordinary shares at the average market price for ordinary 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 ordinary shares issued and the number of ordinary shares that would have been issued at average market price must be treated as an issue of ordinary 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 ordinary 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 loss" and "Amortization expense of intangibles from acquisitions";
- the effect of the revaluation of earn out payments on acquisitions recorded under "Other financial income and expenses";
- certain specifically designated items of exceptional income and expense generally recorded as "Non-current income and expenses".

1.4 Principal sources of uncertainty arising from the 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, vary significantly from these estimates.

The characteristics 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 circumstances and assumptions associated with them are factors to be taken into consideration. The Group makes estimates and assumptions regarding the future. The accounting estimates will, by definition, rarely be exactly the same as the related actual outcomes.

The main assumptions concerning future events and other sources of uncertainty, relate to the use of estimates on the reporting 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 obtained through business combinations;
- the calculation of the recoverable value of goodwill and intangible assets used for impairment tests;
- provisions for liabilities and charges, particularly for defined benefit pension liabilities and post-employment medical care;
- impairment of doubtful receivables;
- the fair-value measurement of stock options awarded under Publicis Groupe SA's stock option plans.

Detailed disclosures concerning these matters are provided in Notes 5, 20, 21, 26 and 28 below.

Note 2 Changes in the scope of consolidation

2.1 Acquisitions in 2014

There was no significant takeover (individually or taken together) during the period.

The main acquisitions in the year were as follows:

- in July 2014, the Group acquired Proximedia outright;
- in September 2014, the Group acquired Nurun outright.

The fair value, at the acquisition date, of the consideration paid (excluding cash and cash equivalents acquired) of all entities that were fully consolidated (notably including the ones detailed above, as well as smaller acquisitions) with an exclusive takeover during the period, totaled euro 492 million. This amount mainly includes:

- euro 308 million paid out during the period;
- euro 175 million in earn out payment commitments;
- euro 6 million in commitments to buy-out non-controlling interests;
- euro 3 million equal to the fair value of unconsolidated securities as of the date of the takeover.

The amount paid out for acquisitions in 2014 (net of cash and cash equivalents acquired) totaled euro 403 million and includes:

- euro 308 million paid out during the period;
- euro (8) million in acquired net cash and cash equivalents;
- euro 103 million in earn out payments.

All acquisitions made over the period represented less than 2% of consolidated revenue and consolidated net income attributable to equity holders of the parent company.

Furthermore, on November 3, 2014, the Group announced the signing of a final agreement regarding the acquisition of Sapient for a cash amount of US dollar 25 per Sapient share, by means of a public tender offer dated November 12, 2014. This offer was ongoing at December 31, 2014 (see Note 30 "Events after the reporting period").

2.2 Acquisitions in 2013

LBi

In November 2012, the Group made a public tender offer for all outstanding shares in LBi, the largest independent European marketing and technology agency, which combines expertise in strategy, creation, media and technology. LBi employs over 2,200 people in 16 countries.

At December 31, 2012, Publicis owned 22.72% of LBi; this investment was not consolidated at the reporting date.

Settlement-Delivery took place on January 21, 2013, at which point Publicis Groupe acquired 73.50% of the share capital on a fully diluted basis, representing, together with the previously purchased shares, 97.37% of the share capital on a fully diluted basis. LBi Group has since been fully consolidated.

At December 31, 2013, following purchases made subsequent to the takeover, Publicis Groupe owned 100% of the share capital of LBi, amounting to a total of approximately euro 416 million.

The allocation of the acquisition cost was as follows at December 31, 2013 (in millions of euros):

	LBi
ACQUISITION COST (A)	**416**
Non-current assets	57
Current assets excluding cash and cash equivalents	105
Cash and cash equivalents	32
TOTAL ASSETS (B)	**194**
Non-current liabilities	5
Current liabilities	141
TOTAL LIABILITIES (C)	**146**
NET ASSETS ACQUIRED BEFORE FAIR VALUE ADJUSTMENT (D = B - C)	**48**
Client relationships	35
Other adjustments	(12)
Deferred tax on the above adjustments	(6)
Adjustment to deferred taxes related to tax loss carryforwards	(33)
TOTAL FAIR VALUE ADJUSTMENTS (E)	**(16)**
NET ASSETS ACQUIRED AFTER FAIR VALUE ADJUSTMENTS (F = D + E)	**32**
GOODWILL (G = A - F)	**384**

The other main acquisitions in 2013 were as follows:

- in August 2013, the Group acquired outright Engauge Marketing LLC, an advertising and digital services agency based in Columbus, Ohio;
- in November 2013, the Group acquired 75.1% of Walker Media, one of the UK's top-ten media agencies, which has long-standing relationships with blue-chip clients, including Marks & Spencers, Dixons Group, KFC, Halfords and Weetabix.

The fair value, at the acquisition date, of the consideration paid (excluding cash and cash equivalents acquired) of all entities that were fully consolidated (notably including the ones detailed above, as well as smaller acquisitions) with an exclusive takeover in 2013, totaled euro 752 million. This amount mainly includes:

- euro 512 million paid out during the period;
- euro 98 million in earn out payment commitments;
- euro 48 million in commitments to buy-out non-controlling interests;
- euro 94 million equal to the fair value of unconsolidated securities as of the date of the takeover.

The amount paid out for acquisitions in 2013 (net of cash and cash equivalents acquired) totaled euro 686 million and includes:

- euro 512 million paid out during the period;
- euro 16 million in acquired cash and cash equivalents;
- euro 190 million in earn out payments.

All acquisitions made in 2013 represented less than 5% of consolidated revenue and consolidated net income attributable to equity holders of the parent company.

2.3 Acquisitions in 2012

Bartle Bogle Hegarty and Neogama

In July 2012, the Group acquired in two separate transactions:

- 51% of the shares in the BBH group of companies. Publicis Groupe, which held 49% of shares, thereby raised its stake in BBH to 100%. Founded in 1982, this agency employed about 1,000 people in 2012 and is recognized in the British and international markets for its creativity;
- 100% of the shares in NEOGAMA/BBH in Brazil (acquisition of the 34% held by BBH and the 66% held by the founder and his associates). NEOGAMA/BBH is one of the largest, most creative and innovative agencies in the Brazilian market.

Formerly accounted for under investments in associates (equity method), the BBH Group has been fully consolidated since Publicis acquired exclusive control. Pursuant to IFRS 3 (revised), this change entailed recognizing euro 62 million of non-current income from remeasurement at fair value of the previously held interest.

The euro 214 million acquisition cost of BBH includes the fair value of investment accounted for by the equity method as of the takeover date and the price paid for the transaction described above.

The euro 111 million acquisition cost of NEOGAMA includes the price paid for the transaction described above and the earn out payments to the founder and his associates, recognized at fair value on the acquisition date.

The allocation of the acquisition cost was as follows at December 31, 2012 (in millions of euros):

	BBH	NEOGAMA
ACQUISITION COST (A)	**214**	**111**
Non-current assets	7	6
Current assets excluding cash and cash equivalents	119	17
Cash and cash equivalents	84	8
TOTAL ASSETS (B)	**210**	**31**
Non-current liabilities	3	7
Current liabilities	135	18
TOTAL LIABILITIES (C)	**138**	**25**
NET ASSETS ACQUIRED BEFORE FAIR VALUE ADJUSTMENT (D = B - C)	**72**	**6**
Client relationships	11	29
Trade name	30	-
Deferred tax on the above adjustments	(10)	(10)
TOTAL FAIR VALUE ADJUSTMENTS (E)	**31**	**19**
NET ASSETS ACQUIRED AFTER FAIR VALUE ADJUSTMENTS (F = D + E)	**103**	**25**
GOODWILL (G = A - F)	**111**	**86**

The other main acquisitions in the year were as follows:

- in February 2012, the Group made a public tender offer for all outstanding shares in the Pixelpark Group, the largest independent German provider of interactive services. The offer was made at euro 1.70 per share. At December 31, 2012, Publicis Groupe owned 79.14% of the equity in the Pixelpark Group;
- in June 2012, the Group acquired 100% of the BBR Group. BBR, which since 1995 has partnered with Publicis in jointly-owned companies, employs about 220 people in Israel;
- in July 2012, the Group acquired 100% of the CNC Group. Created in 2002, this group employs some 100 people in Europe, North America, Latin America and Asia, and specializes in strategic communications and crisis management;
- in November 2012, the Group took an additional interest in the Brazilian agency Taterka. Created in 1993, Taterka is a full service agency covering 18 countries in Latin America. This transaction fits into the Group's policy of increasing its presence in emerging markets.

The acquisition cost (excluding cash and cash equivalents) of all entities that were fully consolidated (notably including those listed above, as well as smaller acquisitions) with an exclusive takeover during the year 2012, plus the remeasurement at the fair value of the previously held interest totaled euro 646 million in 2012. This amount mainly includes:

- euro 435 million paid out during the period;
- euro 72 million in earn out payment commitments, *i.e.* euro 67 million after discounting at December 31, 2012;
- euro 47 million arising from commitments to buy-out non-controlling interests, *i.e.* euro 42 million after discounting at December 31, 2012; and
- euro 92 million equal to the fair value of investments accounted for by the equity method as of the takeover date.

The amount paid out for acquisitions in 2012 (net of cash and cash equivalents acquired) totaled euro 369 million and includes:

- euro 435 million paid out during the period;
- euro (111) million in acquired cash and cash equivalents;

- euro 45 million in earn out payments.

All acquisitions made in 2012 represented less than 2.5% of consolidated revenue and consolidated net income attributable to equity holders of the parent company.

2.4 Disposals in 2014, 2013 and 2012

No significant disposals were made during 2014, 2013 and 2012.

Companies sold contributed no more than 0.5% of consolidated revenue and consolidated net income attributable to equity holders of the parent company in 2014. The same was true in 2013 and 2012.

Note 3 Personnel expenses and headcount

Personnel expenses include salaries, commissions, employee profit sharing, vacation pay and bonus estimation. They also include expenses related to stock option and free share plans and expenses related to pensions (excluding the net effect of unwinding the discount on benefit obligations, which is included in other financial income and expenses).

(in millions of euros)	2014	2013	2012
Compensation	(3,504)	(3,345)	(3,159)
Social security charges	(569)	(547)	(528)
Post-employment benefits	(103)	(100)	(95)
Stock option expense	(35)	(40)	(26)
Temporary employees and freelancers	(295)	(298)	(270)
TOTAL	**(4,506)**	**(4,330)**	**(4,078)**

Changes in and breakdown of headcount

BY REGION

	December 31, 2014	December 31, 2013	December 31, 2012
Europe	20,460	19,779	17,677
North America	22,030	20,834	19,548
Asia Pacific	12,710	14,130	13,327
Latin America	5,827	5,552	4,840
Middle East & Africa	2,594	2,258	2,108
TOTAL	**63,621**	**62,553**	**57,500**

BY FUNCTION (AS A %)

	December 31, 2014	December 31, 2013	December 31, 2012
Account planning and management	21%	19%	20%
Creative	17%	16%	16%
Production and specialized activities	19%	20%	19%
Media and research	20%	21%	21%
Administration and management	15%	15%	16%
Other	8%	9%	8%
TOTAL	**100%**	**100%**	**100%**

Note 4 Other operating expenses

Other operating expenses include all external charges other than production and media buying. They include rent, other lease expenses and other expenses related to the occupation of premises amounting to euro 395 million in 2014, compared to euro 384 million in 2013 and euro 368 million in 2012. They also include taxes (other than income taxes) and similar payments, as well as additions to and reversals of provisions. On top of these in 2014 were the Sapient acquisition costs and the reversal of expenses relating to the planned Omnicom merger for a net amount of euro 7 million before tax (euro 6 million after tax). In 2013, expenses relating to the planned Omnicom merger totaled euro 38 million before tax (euro 24 million after tax).

Note 5 Depreciation, amortization and impairment

(in millions of euros)	2014	2013	2012
Amortization of other intangible assets (excluding intangibles from acquisitions)	(15)	(15)	(27)
Depreciation of property, plant and equipment	(110)	(105)	(99)
DEPRECIATION AND AMORTIZATION EXPENSE (EXCLUDING INTANGIBLES FROM ACQUISITIONS)	**(125)**	**(120)**	**(126)**
AMORTIZATION OF INTANGIBLES FROM ACQUISITIONS	**(51)**	**(49)**	**(45)**
Impairment of intangibles from acquisitions	(4)	(3)	(7)
Goodwill impairment	(68)	-	(1)
Impairment of property, plant and equipment	-	(1)	(3)
IMPAIRMENT	**(72)**	**(4)**	**(11)**
TOTAL DEPRECIATION, AMORTIZATION AND IMPAIRMENT	**(248)**	**(173)**	**(182)**

Impairment of intangibles from acquisitions

Impairment tests were carried out on all of the Group's trade names recognized on acquisition. Client relationships were also tested for impairment. All valuations required for these impairment tests were conducted by an independent expert.

At December 31, 2014, the after-tax discount rates used in the valuations ranged from 8.5% to 14.5%. They are determined on the basis of the specific characteristics belonging to each asset undergoing impairment testing.

These tests resulted in the Group recognizing a euro 4 million impairment loss in 2014.

At December 31, 2013 and 2012, the after-tax discount rates used in the valuations ranged respectively from 8.0% to 15.5% and from 8.5% to 12.5%.

These tests resulted in the Group recognizing euro 3 and 7 million impairment losses in 2013 and 2012.

Goodwill impairment

Impairment tests were performed on the cash-generating units, which consist of agencies or combinations of agencies.

The valuations required for the impairment tests on goodwill were conducted by an independent expert. The goodwill impairment tests were carried out on the basis of the value in use of the cash-generating units, which was determined based on five-year financial forecasts (2014-2018).

At December 31, 2014, the after-tax discount rates used in the valuations ranged from 9.0% (12% before tax) to 12.0% (16.5% before tax). The terminal growth rate used in the forecasts ranged from 2.0% to 3.0%.

These tests resulted in the Group recognizing a euro 68 million impairment loss in 2014, including:

- euro 23 million for the BBH Neogama agency network, with a recoverable amount after impairment of euro 233 million assuming an after-tax discount rate of 11.0% and a terminal growth rate of 2.5%;
- euro 45 million for the MSL agency network, with a recoverable amount after impairment of euro 736 million assuming an after-tax discount rate of 10.5% and a terminal growth rate of 2.5%.

At December 31, 2013 and 2012, the after-tax discount rates ranged respectively from 8.5% (11.5% before tax) to 12.0% (15.5% before tax) and from 9.0% (12.5% before tax) to 11.0% (14.5% before tax). The terminal growth rate used in the forecasts ranged from 2.0% to 3.0% for 2013 and 2012.

These tests resulted in the Group recognizing a euro 1 million impairment loss in 2012 while no impairment loss was recognized in 2013.

Impairment of property, plant and equipment

In 2013, a euro 1 million impairment loss was recognized on property, plant and equipment used in the operation of advertising space.

Note 6 Non-current income and expenses

This line item covers exceptional income and expenses, which mainly includes gains and losses realized on the disposal of assets.

(in millions of euros)	2014	2013	2012
Capital gains (losses) on disposal of assets	9	68	38
Non-current income and expenses	1	1	1
TOTAL NON-CURRENT INCOME AND EXPENSES	**10**	**69**	**39**

In 2014, capital gains (losses) on the disposal of assets primarily included a euro 4 million gain on the partial disposal of FCPR, and the euro 3 million revaluation of the previously held interest in Medianet (previously accounted for under the equity method) at the time of the takeover.

In 2013, this line item primarily included the capital gain on the sale of IPG securities for euro 47 million and the capital gain on the sale of Régie 1 securities for euro 5 million.

In 2012, this line item primarily included the euro 62 million remeasurement of the previously held interest in BBH (accounted for under the equity method) at the time of the takeover, the euro 8 million remeasurement of the previously held interest in Bromley BBH (previously accounted for under the equity method) at the time of the takeover, less the euro 11 million loss from the deconsolidation of the entities in the Middle East.

Note 7 Financial income and expenses

(in millions of euros)	2014	2013	2012
Interest expense on loans and bank overdrafts(1)	(38)	(37)	(61)
Interest expense on finance leases	(10)	(9)	(10)
Financial expenses	**(48)**	**(46)**	**(71)**
Financial income(2)	25	20	41
COST OF NET FINANCIAL DEBT	(23)	(26)	(30)
Foreign exchange gains (losses) and change in the fair value of currency derivatives	1	7	(3)
Financial expense related to unwinding of discount on long-term vacant property provisions	-	-	(1)
Net financial expense related to the discounting of pension provisions	(7)	(7)	(8)
Revaluation of earn-out payments on acquisitions	1	4	9
Dividends received from unconsolidated companies	-	1	1
Reversal of bad loan provision	-	-	-
OTHER FINANCIAL INCOME AND EXPENSES	(5)	5	(2)
TOTAL NET FINANCIAL INCOME AND (EXPENSES)	**(28)**	**(21)**	**(32)**

(1) Including the revaluation of interest rate swaps and bonds in respect of fair value hedges see Note 22.
(2) Including in 2012 a fair value adjustment on the 2012 Eurobond recognized when the debt was extinguished.

Note 8 Income taxes

ANALYSIS OF INCOME TAX EXPENSE

(in millions of euros)	2014	2013	2012
Current income tax expense for the period	(290)	(269)	(273)
Current income tax expense for previous years	11	31	(10)
TOTAL CURRENT TAX EXPENSE	**(279)**	**(238)**	**(283)**
Deferred tax income/(expense)	(43)	(68)	(11)
Changes in unrecognized deferred tax assets	11	8	15
TOTAL NET DEFERRED TAX INCOME (EXPENSE)	**(32)**	**(60)**	**4**
INCOME TAXES	**(311)**	**(298)**	**(279)**

EFFECTIVE TAX RATE

The effective tax rate is obtained as follows:

(in millions of euros)		2014	2013	2012
PRE-TAX INCOME OF CONSOLIDATED COMPANIES	**A**	**1,041**	**1,102**	**1,013**
BBH fair value adjustment (See Notes 2 and 6)		-	-	(62)
Bromley fair value adjustment (See Note 6)		-	-	8
Loss from the deconsolidation of Middle Eastern entities (see Note 6)		-	-	11
Gain on the sale of IPG securities (see Note 6)		-	(47)	-
Gain on the sale of Régie 1 securities (see Note 6)		-	(5)	-
Goodwill impairment (see Note 5)		68	-	-
RESTATED PRE-TAX INCOME OF CONSOLIDATED COMPANIES	**B**	**1,109**	**1,050**	**970**
French tax rate		34.43%	34.43%	34.43%
Expected tax expense on Pre-tax income of consolidated companies:		**(358)**	**(379)**	**(349)**
Impact of:				
• difference between the French tax rate and foreign tax rates		51	41	43
• changes in unrecognized deferred tax assets		11	8	15
• other impacts (1)		(15)	32	12
INCOME TAX IN THE INCOME STATEMENT	**C**	**(311)**	**(298)**	**(279)**
EFFECTIVE TAX RATE ON PRE-TAX INCOME OF CONSOLIDATED COMPANIES	**C/A**	**29.9%**	**27.0%**	**27.5%**
EFFECTIVE TAX RATE	**C/B**	**28.0%**	**28.4%**	**28.8%**

(1) Other impacts mainly include those related to permanent differences, income taxed at reduced rates, adjustments to previous financial years. In addition, other impacts also include the provisory additional contribution of 10.7% on the taxable income of the French entities representing an expense of euro 1 million in 2014 and an expense of euro 2 million in 2013.

TAX EFFECT ON OTHERCOMPREHENSIVE INCOME

	December 31, 2014			December 31, 2013			December 31, 2012		
(in millions of euros)	Gross	Tax	Net	Gross	Tax	Net	Gross	Tax	Net
Fair value adjustments to available-for-sale investments	5	-	5	(26)	-	(26)	4	-	4
Actuarial gains and losses on defined benefit plans	(43)	12	(31)	26	(12)	14	(30)	6	(24)
Effect of translation and other	338	(30)	308	(249)	3	(246)	(61)	-	(61)
TOTAL	**300**	**(18)**	**282**	**(249)**	**(9)**	**(258)**	**(87)**	**6**	**(81)**

SCHEDULE OF DEFERRED TAXES RECOGNIZED IN THE BALANCE SHEET

(in millions of euros)	December 31, 2014	December 31, 2013	December 31, 2012
Short-term (less than one year)	90	100	97
Long-term (over one year)	(317)	(268)	(238)
NET DEFERRED TAX ASSETS (LIABILITIES)	**(227)**	**(168)**	**(141)**

SOURCE OF DEFERRED TAXES

(in millions of euros)	December 31, 2014	December 31, 2013	December 31, 2012
Deferred tax on adjustment of asset and liability valuations due to acquisitions	(244)	(238)	(262)
Deferred tax arising on the restatement of the Champs-Élysées building	(52)	(52)	(52)
Deferred tax on hybrid bonds	8	12	5
Deferred tax on pensions and other post-employment benefits	55	42	58
Deferred tax arising on tax loss carryforwards	174	177	104
Deferred tax on other temporary differences	(63)	19	98
GROSS DEFERRED TAX ASSETS (LIABILITIES)	**(122)**	**(40)**	**(49)**
Unrecognized deferred tax assets	(105)	(128)	(92)
NET DEFERRED TAX ASSETS (LIABILITIES)	**(227)**	**(168)**	**(141)**

As of December 31, 2014, the deferred tax liabilities included tax on the revaluation of intangible assets made at the time of the acquisition of Zenith (euro 20 million), Bcom3 (euro 161 million) and Digitas (euro 63 million), deferred taxes linked to the separation of the hybrid bonds (Océane, Orane) and deferred tax linked to the fair value being deemed as the cost of the Champs-Élysées land and building on the date of transition to IFRS.

TAX LOSS CARRYFORWARDS

The Group also had tax loss carryforwards that had not been recognized as deferred tax assets in the consolidated balance sheet because of uncertainty as to their availability for use:

(in millions of euros)	December 31, 2014	December 31, 2013	December 31, 2012
AMOUNT OF UNRECOGNIZED TAX LOSS CARRYFORWARDS	**349**	**452**	**274**
Of which carried forward indefinitely	*224*	*308*	*217*

Note 9 Earnings per share

EARNINGS PER SHARE AND DILUTED EARNINGS PER SHARE

(in millions of euros, except for share data)		2014	2013	2012
Net income used for the calculation of earnings per share				
Group net income	**a**	**720**	**792**	**732**
Impact of dilutive instruments:				
• Savings in financial expenses related to the conversion of debt instruments, net of tax[2]		0	2	17
Group net income – diluted	**b**	**720**	**794**	**749**
Number of shares used to calculate earnings per share				
Average number of shares that make up the share capital		217,773,672	211,342,272	195,194,484
Treasury shares to be deducted (average for the year)		(8,175,360)	(11,774,690)	(11,345,668)
Shares to be issued to redeem the Orane		14,270,048	15,949,337	17,183,419
Average number of shares used for the calculation	c	223,868,360	215,516,919	201,032,235
Impact of dilutive instruments:				
• Free shares and dilutive stock options[1]		2,780,749	3,224,111	4,489,716
• Equity warrants[1]		1,103,921	3,146,474	1,390,663
• Shares resulting from the conversion of convertible bonds[2]		19,449	2,543,301	17,231,086
Number of diluted shares	**d**	**227,772,479**	**224,430,805**	**224,143,700**
(in euros)				
EARNINGS PER SHARE	**a/c**	**3.22**	**3.67**	**3.64**
DILUTED EARNINGS PER SHARE	**b/d**	**3.16**	**3.54**	**3.34**

(1) Only stock options and warrants with a dilutive impact, i.e. whose strike price is lower than the average strike price, are included in the calculation. In 2014, all stock options and warrants not yet exercised at the reporting date had a dilutive impact.

(2) Over the three years 2014, 2013 and 2012, all of the Océanes had a dilutive impact and are therefore factored into the calculation of diluted EPS.

For reference, the 2014 EPS, calculated on revenue of euro 726 million excluding the reversal of Publicis/Omnicom merger costs and excluding Sapient acquisition costs (*i.e.* eliminating euro 6 million in net costs), and 2013 EPS, calculated on revenue excluding Publicis/Omnicom merger costs of euro 816 million (after eliminating euro 38 million in pre-tax merger costs, *i.e.* euro 24 million, net of tax) worked out as:

	2014	2013
EARNINGS PER SHARE, EXCLUDING MERGER COSTS AND SAPIENT ACQUISITION COSTS	**3.24**	**3.79**
DILUTED EARNINGS PER SHARE – EXCLUDING MERGER COSTS AND SAPIENT ACQUISITION COSTS	**3.19**	**3.64**

HEADLINE EARNINGS PER SHARE (BASIC AND DILUTED)

(in millions of euros, except for share data)		2014	2013	2012
Net income used to calculate headline earnings per share[(1)]				
Group net income		**720**	**792**	**732**
Items excluded:				
• Amortization of intangibles from acquisitions, net of tax		33	30	28
• Impairment, net of tax		71	3	8
• Net capital gains (losses) on disposal of assets and fair value remeasurement at takeover date, net of tax		0	(52)	(58)
• Revaluation of earn-out *payments*		(1)	(5)	(9)
• Publicis/Omnicom merger costs (reversal), Sapient acquisition costs, net of tax		6	24	
Headline Group net income	**e**	**829**	**792**	**701**
Impact of dilutive instruments:				
• Savings in financial expenses related to the conversion of debt instruments, net of tax		0	2	17
Headline Group net income, diluted	**f**	**829**	**794**	**718**
Number of shares used to calculate earnings per share				
Average number of shares that make up the share capital		**217,773,672**	**211,342,272**	**195,194,484**
Treasury shares to be deducted (average for the year)		(8,175,360)	(11,774,690)	(11,345,668)
Shares to be issued to redeem the Orane		14,270,048	15,949,337	17,183,419
Average number of shares used for the calculation	**c**	**223,868,360**	**215,516,919**	**201,032,235**
Impact of dilutive instruments:				
• Free shares and dilutive stock options		2,780,749	3,224,111	4,489,716
• Equity warrants		1,103,921	3,146,474	1,390,663
• Shares resulting from the conversion of convertible bonds		19,449	2,543,301	17,231,086
Number of diluted shares	**d**	**227,772,479**	**224,430,805**	**224,143,700**
(in euros)				
HEADLINE EARNINGS PER SHARE[(1)]	**e/c**	**3.70**	**3.67**	**3.49**
HEADLINE EARNINGS PER SHARE – DILUTED[(1)]	**f/d**	**3.64**	**3.54**	**3.20**

(1) *EPS after elimination of the impairment losses, amortization of intangibles from acquisitions, the main capital gains and losses on disposal of assets, the fair value remeasurement gains and losses, the revaluation of earn-out payments, Sapient acquisition costs and the Publicis/Omnicom merger costs.*

Note 10 Goodwill

CHANGES IN GOODWILL

(in millions of euros)	Gross amount	Impairment(2)	Net amount
JANUARY 1, 2012	**5,360**	**(153)**	**5,207**
Acquisitions	477	-	477
Impairment	-	(1)	(1)
Changes related to the recognition of commitments to buy-out non-controlling interests(1)	39	-	39
Disposals and derecognition	(9)	-	(9)
Translation adjustments and other	(46)	-	(46)
DECEMBER 31, 2012	**5,821**	**(154)**	**5,667**
Acquisitions	617	-	617
Changes related to the recognition of commitments to buy-out non-controlling interests(1)	37	-	37
Disposals and derecognition	(6)	1	(5)
Translation adjustments and other	(201)	8	(193)
DECEMBER 31, 2013	**6,268**	**(145)**	**6,123**
Acquisitions	455	-	455
Impairment	-	(68)	(68)
Changes related to the recognition of commitments to buy-out non-controlling interests(1)	(5)	-	(5)
Disposals and derecognition	-	-	-
Translation adjustments and other	509	(8)	501
DECEMBER 31, 2014	**7,227**	**(221)**	**7,006**

(1) See Note 1.3 for the accounting treatment of commitments to purchase non-controlling interests.
(2) See Note 5.

The analysis of goodwill by geographic area is described in Note 27.

Note 11 Intangible assets, net

CHANGES IN INTANGIBLE ASSETS WITH A FINITE USEFUL LIFE

	Client relationships			Software, technology and other		
(in millions of euros)	Gross amount	Amortization/ Impairment	Net amount	Gross amount	Amortization/ Impairment	Net amount
JANUARY 1, 2012	**785**	**(395)**	**390**	**202**	**(137)**	**65**
Acquisitions	40	-	40	23	-	23
Amortization	-	(41)	(41)	-	(30)	(30)
Impairment	-	-	-	-	(1)	(1)
Disposals and derecognition	-	-	-	(7)	7	-
Translation adjustments and other	(14)	5	(9)	5	(3)	2
DECEMBER 31, 2012	**811**	**(431)**	**380**	**223**	**(164)**	**59**
Acquisitions	35	-	35	31	-	31
Amortization	-	(45)	(45)	-	(18)	(18)
Impairment	-	-	-	-	(2)	(2)
Disposals and derecognition	-	-	-	(8)	6	(2)
Translation adjustments and other	(35)	17	(18)	8	(8)	-
DECEMBER 31, 2013	**811**	**(459)**	**352**	**254**	**(186)**	**68**
Acquisitions	-	-	-	21	-	21
Amortization	-	(47)	(47)	-	(18)	(18)
Impairment	-	-	-	-	-	-
Disposals and derecognition	-	-	-	(61)	30	(31)
Translation adjustments and other	76	(48)	28	(8)	9	1
DECEMBER 31, 2014	**887**	**(554)**	**333**	**206**	**(165)**	**41**

CHANGES IN INTANGIBLE ASSETS WITH AN INDEFINITE USEFUL LIFE AND IN TOTAL INTANGIBLE ASSETS

	Trade names			Total intangible assets		
(in millions of euros)	Gross amount	Impairment	Net amount	Gross amount	Amortization/ Impairment	Net amount
JANUARY 1, 2012	**570**	**(40)**	**530**	**1,557**	**(572)**	**985**
Acquisitions	30	-	30	93	-	93
Amortization	-	(1)	(1)	-	(72)	(72)
Impairment	-	(6)	(6)	-	(7)	(7)
Disposals and derecognition	-	-	-	(7)	7	-
Translation adjustments and other	(12)	2	(10)	(21)	4	(17)
DECEMBER 31, 2012	**588**	**(45)**	**543**	**1,622**	**(640)**	**982**
Acquisitions	-	-	-	66	-	66
Amortization	-	(1)	(1)	-	(64)	(64)
Impairment	-	(1)	(1)	-	(3)	(3)
Disposals and derecognition	-	-	-	(8)	6	(2)
Translation adjustments and other	(24)	2	(22)	(51)	11	(40)
DECEMBER 31, 2013	**564**	**(45)**	**519**	**1,629**	**(690)**	**939**
Acquisitions	-	-	-	21	-	21
Amortization	-	(1)	(1)	-	(66)	(66)
Impairment	-	(4)	(4)	-	(4)	(4)
Disposals and derecognition	-	-	-	(61)	30	(31)
Translation adjustments and other	73	(6)	67	141	(45)	96
DECEMBER 31, 2014	**637**	**(56)**	**581**	**1,730**	**(775)**	**955**

Valuation of intangible assets

Valuation tests carried out by an independent expert at the close of 2014, 2013 and 2012 led the Group to recognize an impairment loss of euro 4 million in 2014, euro 3 million in 2013 and euro 7 million in 2012 (See Note 5).

Note 12 Property, plant and equipment, net

(in millions of euros)	Land and buildings	Other	Total
GROSS AMOUNTS ON JANUARY 1, 2012	**271**	**952**	**1,223**
Increases	-	107	107
Decreases	(1)	(51)	(52)
Changes to consolidation scope	-	46	46
Translation adjustments and other	(1)	(10)	(11)
GROSS AMOUNTS ON DECEMBER 31, 2012	**269**	**1,044**	**1,313**
Increases	-	105	105
Decreases	-	(80)	(80)
Changes to consolidation scope	1	52	53
Translation adjustments and other	(5)	(45)	(50)
GROSS AMOUNTS ON DECEMBER 31, 2013	**265**	**1,076**	**1,341**
Increases	-	111	111
Decreases	(6)	(97)	(103)
Changes to consolidation scope	-	49	49
Translation adjustments and other	11	70	81
GROSS AMOUNTS ON DECEMBER 31, 2014	**270**	**1,209**	**1,479**
ACCUMULATED DEPRECIATION ON DECEMBER 31, 2013	**(49)**	**(779)**	**(828)**
Increases	(4)	(104)	(108)
Decreases	2	96	98
Changes to consolidation scope	-	(27)	(27)
Translation adjustments and other	(4)	(58)	(62)
ACCUMULATED DEPRECIATION ON DECEMBER 31, 2014	**(55)**	**(872)**	**(927)**
NET AMOUNTS ON DECEMBER 31, 2014	**215**	**337**	**552**

Land and buildings

On December 31, 2014, the net amount of the property assets directly owned by Publicis listed on the balance sheet was euro 164 million.

The Group's main property asset is its corporate headquarters located at 133, avenue des Champs-Élysées, in Paris, France. This seven-story building includes around 12,000 square meters of office space occupied by Group companies, and 1,500 square meters of commercial space, occupied by Publicisdrugstore and two public movie theaters.

Other property, plant and equipment

The Group owns a considerable array of IT equipment used for the creation and production of advertising, the management of media buying and administrative work.

Assets under finance lease

The total net amount of assets under finance lease in the consolidated balance sheet stood at euro 51 million on December 31, 2014.

These mainly concern the Leo Burnett building at 35 West Wacker Drive in Chicago, Illinois, USA. The finance lease on this building represents a gross amount of euro 88 million depreciated over 30 years.

The following are the amounts related to finance leases included under property, plant and equipment:

(in millions of euros)	December 31, 2014	December 31, 2013	December 31, 2012
Gross amount of buildings	92	81	83
Depreciation	(41)	(34)	(31)
Net amount	51	47	52

Note 13 Investments in associates

Investments accounted using the equity method amounted to euro 36 million on December 31, 2014 (*versus* euro 28 million on December 31, 2013 and euro 23 million on December 31, 2012).

(in millions of euros)	Value in balance sheet
AMOUNT ON JANUARY, 1, 2012	**43**
Acquisitions	5
Disposals	(42)
Share of profit of associates	25
Dividends paid	(8)
Effect of translation and other	-
AMOUNT ON DECEMBER 31, 2012	**23**
Acquisitions	10
Disposals	(2)
Share of profit of associates	5
Dividends paid	(4)
Effect of translation and other	(4)
AMOUNT AT DECEMBER 31, 2013	**28**
Acquisitions	9
Disposals	(3)
Share of profit of associates	4
Dividends paid	(1)
Effect of translation and other	(1)
AMOUNT ON DECEMBER 31, 2014	**36**

The Group's main associates are Jana Mobile, Burrell Communications and Somupi. As at December 31, 2014, the carrying amounts of these three associates amounted to euro 16 million, euro 6 million and euro 3 million respectively.

Note 14 Other financial assets

Other financial assets mainly include investments classified as "available for sale".

Balances related to other non-current financial assets maturing in less than one year are classified under current assets.

(in millions of euros)	December 31, 2014	December 31, 2013	December 31, 2012
Available-for-sale financial assets			
• Matomy Media Group securities	67	-	-
• IPG securities	-	-	41
• Venture Capital Fund[1]	52	41	23
• LBi securities	-	-	94
• Other	9	8	9
Security deposits	22	23	24
Loans to unconsolidated companies	13	26	27
Loans and receivables owed by associates and non-consolidated companies	11	13	15
Other	56	49	49
Gross amount	**230**	**160**	**282**
Impairment	(35)	(39)	(40)
NET AMOUNT	**195**	**121**	**242**

(1) In March 2012, France Télécom-Orange and Publicis Groupe formalized their partnership with Iris Capital Management. Under this partnership arrangement, Publicis Groupe undertook to contribute the sum of euro 74 million to invest in businesses creating value in the digital economy.

In November 2012, the Group made a public tender offer for all outstanding shares in LBi. At December 31, 2013, Publicis fully owned LBi. Following this takeover, the securities classified as financial assets are now consolidated (see Note 2).

Furthermore, Publicis sold its interest in Interpublic Group (IPG) between December 9 and December 23, 2013. Publicis owned 1.13% of Interpublic Group (IPG), an unconsolidated investment classified as "available-for-sale". The historical price of the IPG shares was US dollar 3.87. The average listed share price between December 9 and December 23, 2013 was US dollar 16.74. This disposal generated a capital gain of euro 47 million.

In October and November 2014, the Group acquired 24.9% of the share capital of Matomy Media Group, which specializes in performance-based digital marketing. Matomy has been listed on the London stock exchange since last July. This investment was not consolidated at December 31, 2014 because the Group does not have significant influence over this entity.

Note 15 Inventories and work in progress

(in millions of euros)	December 31, 2014	December 31, 2013	December 31, 2012
Gross amount	**323**	**311**	**344**
Impairment of inventories and work in progress	(3)	(4)	(2)
NET AMOUNT	**320**	**307**	**342**

Note 16 Trade receivables

(in millions of euros)	December 31, 2014	December 31, 2013	December 31, 2012
Trade accounts receivable [1]	7,716	7,059	6,933
Notes receivable	37	12	9
GROSS AMOUNT	**7,753**	**7,071**	**6,942**
Opening impairment	(77)	(101)	(106)
Impairment over the year	(10)	(14)	(9)
Reversals during the year	17	38	15
Changes to consolidation scope	(5)	(4)	-
Translation adjustments and other	(2)	4	(1)
Closing impairment	**(77)**	**(77)**	**(101)**
NET AMOUNT	**7,676**	**6,994**	**6,841**

(1) Including invoiced trade receivables of euro 5,741 million as of December 31, 2014, euro 5,176 million as of December 31, 2013 and euro 5,321 million as of December 31, 2012.

Note 17 Other current receivables and assets

(in millions of euros)	December 31, 2014	December 31, 2013	December 31, 2012
Taxes and other receivables from the government	238	185	248
Advances to suppliers	150	152	169
Prepayments	75	76	72
Derivatives hedging current assets and liabilities	37	18	4
Derivatives on intercompany loans and borrowings	30	16	2
Derivatives hedging the fair value of Eurobond 2012 and 2015	0	0	13
Other receivables and other current assets	72	78	92
Gross amount	**602**	**525**	**600**
Impairment	(7)	(8)	(9)
NET AMOUNT	**595**	**517**	**591**

Note 18 Cash and cash equivalents

(in millions of euros)	December 31, 2014	December 31, 2013	December 31, 2012
Cash and bank balances	492	441	349
Short-term liquid investments	2,666	1,001	965
TOTAL	**3,158**	**1,442**	**1,314**

Short-term liquid investments mainly included UCITS (French Undertakings for Collective Investment in Transferable Securities) funds classified by the AMF as "monétaire court terme" and subject to very low risk of a change in value, and short-term deposits.

Note 19 Equity

The table of changes in equity is presented along with the other consolidated financial statements.

Share capital of the parent company

The following are the changes in the share capital over the last three years:

(in shares)	2014	2013	2012
Share capital on January 1	216,023,378	210,008,734	193,357,945
Capital increase	5,180,479	6,014,644	27,410,602
Cancellations	-	-	(10,759,813)
SHARES COMPRISING THE SHARE CAPITAL ON DECEMBER 31	**221,203,857**	**216,023,378**	**210,008,734**
Treasury shares on December 31	(7,895,366)	(9,436,116)	(10,805,084)
SHARES OUTSTANDING ON DECEMBER 31	**213,308,491**	**206,587,262**	**199,203,650**

Publicis Groupe SA's share capital increased by euro 2,072,192 in 2014, corresponding to 5,180,479 shares with a par value of euro 0.40:

- 815,623 shares issued in connection with the free share plans whose definitive delivery date occurred in the year;
- 1,585,411 shares issued as part of the redemption of the tenth tranche of the Orane (see Note 24 - "Commitments");
- 2,094,672 shares issued following the exercise by certain shareholders of the option to receive the dividends in shares;
- 684,773 shares created following the exercise by certain holders of their warrants.

As of December 31, 2014, the share capital of Publicis Groupe SA totaled euro 88,481,543, split into 221,203,857 shares with a par value of euro 0.40.

Neutralization of the treasury shares existing on December 31, 2014

Treasury shares held at the end of the year, including those owned under the liquidity contract, are deducted from the share capital.

The portfolio of treasury shares showed the following movements in 2012, 2013 and 2014:

	Number of shares
TREASURY SHARES HELD ON DECEMBER 31, 2011 (1)	**7,361,882**
Repurchase of shares held by Dentsu	18,000,000
Cancellation of shares purchased from Dentsu	(10,759,813)
Disposals (exercise of stock options) and deliveries of free shares (co-investment plan – France)	(3,754,829)
Delivery of shares following the conversion request of Océane 2014	(52,156)
Movements as part of the liquidity contract	10,000
TREASURY SHARES HELD ON DECEMBER 31, 2012 (1)	**10,805,084**
Repurchase of shares held by Dentsu	3,875,139
Disposals (exercise of stock options) and deliveries of free shares (co-investment plan outside France and other plans)	(3,166,374)
Delivery of shares following the conversion request of Océane 2018	(2,096,233)
Movements as part of the liquidity contract	18,500
TREASURY SHARES HELD ON DECEMBER 31, 2013 (1)	**9,436,116**
Disposals (exercise of stock options) and deliveries of free shares (co-investment plan outside France and other plans)	(852,235)
Delivery of shares following the conversion request of Océane 2018	(562,921)
Delivery of shares in connection with the additional compensation of Orane holders	(109,924)
Movements as part of the liquidity contract	(15,670)
TREASURY SHARES HELD ON DECEMBER 31, 2014 (1)	**7,895,366**

(1) Including shares held as part of the liquidity contract (22,830 on December 31, 2014, 38,500 on December 31, 2013 and 20,000 on December 31, 2012).

Dividends proposed and voted

	Per share (in euros)	Total (in millions of euros)
Dividends paid in 2014 (for 2013)	1.10	230[1]
Dividends proposed to the General Shareholders' Meeting (for 2014)	1.20	265[2]

(1) Amount paid in shares at the relevant shareholders' option for up to euro 120 million (leading to the creation of 2,094,672 shares).
(2) For all shares outstanding on December 31, 2014, including treasury shares.

The cash portion of the distribution proposed for 2014 will be subject to the 3% tax on dividends.

Capital management

The Group's policy is to maintain a solid capital base in order to maintain the confidence of investors, creditors and the market and to support future activity development. The Group's management pays particular attention to the debt-to-equity ratio, which is defined as net debt (financial debt less cash and cash equivalents) divided by equity (including non-controlling interests) and has calculated that the ideal debt-to-equity ratio is less than 0.50. At December 31 of the last three years (2014, 2013 and 2012), the debt-to-equity ratio was negative.

Management also pays close attention to the pay-out ratio, defined as dividends per share divided by earnings per share. This ratio will be 37.3% for 2014 based on the dividend amount (euro 1.20 per share) to be proposed at the next General Shareholders' Meeting, *versus* 30.0% for 2013 and 24.7% for 2012.

The Group buys back its own shares on the market in accordance with the authorization delegated to the Management Board for a period of 18 months by the General Shareholders' Meeting of May 28, 2014. In 2012, 2013 and 2014, the Group directly purchased its own shares in order to meet its obligations with regard to stock option plans and free share plans granted to employees, bond conversion requests or the cancellation of shares. During said years, the Group indirectly purchased and sold its own shares through the intermediary of an investment services provider acting in the name and on behalf of Publicis Groupe SA, independently and without being influenced by it, as part of a liquidity contract compliant with a code of conduct recognized by the Autorité des marchés financiers (the French Financial Markets Authority). Euro 15 million had initially been allocated to the liquidity agreement signed with Kepler Cheuvreux Securities on July 3, 2012 (replacing the previous liquidity agreement with SG Securities).

The General Shareholders' Meeting on May 29, 2013 also renewed, for a period of 26 months, the authorization to reduce the share capital through the cancellation of shares held by Publicis Groupe SA up to a limit of 10% of the share capital; this authorization was delegated to the Management Board.

Note 20 Provisions for liabilities and charges

(in millions of euros)	Restruc-turing	Vacant property commitments	Pension and other retirement benefits	Risks and litigation	Other provisions	Total
JANUARY 1, 2012	**14**	**37**	**286**	**196**	**87**	**620**
Increases	20	2	23	63	41	149
Releases	(10)	(11)	(60)	(19)	(19)	(119)
Other releases	-	(1)	-	(45)	(13)	(59)
Changes to consolidation scope	3	-	1	4	1	9
Actuarial losses (gains)	-	-	30	-	-	30
Translation adjustments and other	(5)	-	5	(2)	2	-
DECEMBER 31, 2012	**22**	**27**	**285**	**197**	**99**	**630**
Increases	18	5	32	26	12	93
Releases	(13)	(5)	(43)	(15)	(18)	(94)
Other releases	(1)	(6)	(3)	(44)	(27)	(81)
Changes to consolidation scope	1	-	1	1	3	6
Actuarial losses (gains)	-	-	(26)	-	-	(26)
Translation adjustments and other	(1)	(1)	(8)	(5)	(6)	(21)
DECEMBER 31, 2013	**26**	**20**	**238**	**160**	**63**	**507**
Increases	23	4	31	29	29	116
Releases	(20)	(5)	(38)	(9)	(9)	(81)
Other releases	(3)	(2)	-	(42)	(8)	(55)
Changes to consolidation scope	-	-	3	2	3	8
Actuarial losses (gains)	-	-	43	-	-	43
Translation adjustments and other	1	2	16	7	3	29
DECEMBER 31, 2014	**27**	**19**	**293**	**147**	**81**	**567**
Of which short-term	20	5	48	33	19	125
Of which long-term	7	14	245	114	62	442

Restructuring provisions

These include an estimate of the closure or restructuring costs of certain activities resulting from plans that were announced but not yet executed at the end of 2014 (mainly severance pay). The plans are detailed by project and by type, and are approved in advance by the senior management. They are managed centrally to ensure that the provision is applied based on the actual costs incurred and to justify the remaining balance at the year-end on the basis of the outstanding cost to be incurred.

Vacant property provisions

The largest amount in these provisions relates to the acquisition of Bcom3 for the amount of euro 7 million on December 31, 2014, which primarily concerns the city of New York, and notably the lease of the building located at 375 Hudson Street. The valuations were made by discounting the rent payable, less income expected from sub-leasing.

Provisions for risks and litigation

These provisions include all types of risks, legal proceedings, notably commercial, tax and labor litigation. Most of the provision covers tax risks and litigation relating mainly to North America and Latin America. Tax risks and charges break down by type as follows:

- approximately 59% concern corporate income taxes;
- approximately 41% concern other income and non-income taxes.

Obligations in respect of employee benefits

The obligations for employee benefits (see Note 21) include:

- defined benefit pension plans;
- post-employment health coverage;
- long-term benefits such as deferred compensation and long-service rewards.

Note 21 Pensions and other post-employment benefits

Defined benefit pension plans

The Group has a certain number of obligations under defined benefit pension plans, mainly split between:

- pension funds (72% of the Group's obligations): these are rights to which employees have earned entitlement, with external pre-funding requirements primarily in the US and the UK;
- other mandatory and legal pension schemes, such as retirement indemnities (24% of the Group's obligations), in particular in France: the rights have not vested so payment is uncertain and notably dependent on employees still being employed by the Company when they retire;
- health coverage schemes for retirees (4% of the Group's obligations): consisting of an effective liability vis-à-vis current pensioners and a provision for current workers (future pensioners), in particular in the US and the UK.

The largest plans are accordingly the pension funds in the United Kingdom (38% of the Group's obligations) and in the United States (34% of the Group's obligations).

- In the United Kingdom, the Group's obligations are managed through six pension funds administered by independent boards of trustees. These independent boards are made up of representatives of the Group, employees and retirees and in some instances an independent expert. These boards are required by regulation to act in the best interests of plan beneficiaries, notably ensuring that the pension fund is financially stable, as well as monitoring its investment policy and management.

  Four of the six pension funds are closed and frozen. All existing entitlements (based on the salary and number of years of service in the Group) were frozen: beneficiaries still working will not earn any further entitlement under these defined benefit funds.

  The pension funds in the United Kingdom have obligations vis-à-vis retirees (57%), beneficiaries with deferred entitlement who have not yet drawn down their pension entitlements (35%) and employees still working (8%).
- In the United States, the Group's obligations are basically limited to a closed and frozen pension fund. The obligations are vis-à-vis beneficiaries with deferred entitlement who have not yet drawn down their pension entitlements (28% of obligations), retirees (33% of obligations) and employees still working (39%).

The defined benefit pension plans were valued by independent experts in the United States, the United Kingdom, Germany, France, the United Arab Emirates, Saudi Arabia, Bahrain, South Korea and Japan.

No material events occurred during the reporting period to affect the value of the Group's liabilities under these plans (significant plan change).

Surplus (deficit)

Publicis Groupe sets aside financial assets to cover these liabilities, primarily in the UK and the US, in order to comply with its legal and/or contractual obligations and to limit its exposure to an increase in these liabilities (interest and inflation rate volatility, longer life expectancy, etc.).

The policy to cover the Group's liabilities is based on regular asset-liability management reviews to ensure optimal asset allocation, designed both to limit exposure to market risks by diversifying asset classes on the basis of their risk profile, and to better reflect the payment of benefits to beneficiaries, having regard to plan maturity. These reviews are performed by independent advisers and submitted to the Trustees for approval. Investments are made in compliance with legal constraints and the criteria governing the deductibility of such covering assets in each country. Funding requirements are generally determined on a plan-by-plan basis and as a result surplus assets in over-funded plans cannot be used to cover under-funded plans.

Risk exposure

The principal risks to which the Group is exposed through its pension funds in the United Kingdom and the United States are as follows:

- Volatility of financial assets: the financial assets in the plans (shares, bonds, etc.) often have a return higher than the discount rate over the long term, but are more volatile in the short term, especially since they are measured at their fair value for the Group's annual accounting needs. The asset allocation is determined so as to ensure the financial viability of the plan over the long term;
- Variation of bond rates: a decrease in private bond rates leads to an increase in obligations under the plans as recognized by the Group, even where this increase is partially reduced by a growth in value of the financial assets in the plans (for the portion of first category private bonds);
- Longevity: the largest part of benefits guaranteed by the plans is retirement benefits. An extended life expectancy therefore leads to an increase in these plans;
- Inflation: a significant portion of the benefits guaranteed by the pension funds in the United Kingdom is indexed to inflation. A rise in inflation leads to an increase in the obligation (even when thresholds have been set for most of them in order to protect the plan from hyper-inflation). Most of the financial assets are either not impacted by inflation or linked very little with inflation, therefore inferring that a rise in inflation would lead to an increase of the plan's deficit from an accounting perspective. The American pension funds do not expose the Group to a significant inflation risk as the benefits are not indexed to inflation.

Actuarial gains and losses

Actuarial gains and losses reflect unforeseen increases or reductions in the present value of a defined benefit obligation or of the fair value of the corresponding plan assets. Actuarial gains and losses resulting from changes in the present value of liabilities under a defined benefit plan stem, firstly, from experience adjustments (differences between the previous actuarial assumptions and what has actually occurred) and, secondly, from the effect of changes in actuarial assumptions.

Other long-term benefits

Publicis Groupe also recognizes various long-term benefits, primarily seniority payments, long-service awards in France in particular, and certain multi-year plans for which the deferred compensation is linked to continued employment.

CHANGE IN THE ACTUARIAL BENEFIT OBLIGATION

	December 31, 2014			December 31, 2013			December 31, 2012		
(in millions of euros)	Pension plans	Health cover	Total	Pension plans	Health cover	Total	Pension plans	Health cover	Total
Opening actuarial benefit obligation	**(512)**	**(20)**	**(532)**	**(567)**	**(24)**	**(591)**	**(508)**	**(24)**	**(532)**
Cost of services rendered during the year	(15)	-	(15)	(16)	-	(16)	(14)	-	(14)
Curtailments and plan settlements	-	-	-	-	-	-	-	-	-
Contributions by plan participants	-	-	-	-	-	-	-	(1)	(1)
Benefits paid	34	2	36	33	2	35	27	2	29
Interest expense on benefit obligation	(19)	(2)	(21)	(19)	(1)	(20)	(21)	(1)	(22)
Effect of remeasurement	(69)	(3)	(72)	38	2	40	(53)	-	(53)
Experience gains (losses)	*(1)*	*(1)*	*(2)*	*10*	*1*	*11*	*(3)*	*-*	*(3)*
Gains (losses) arising from a change in economic assumptions	*(60)*	*(1)*	*(61)*	*25*	*-*	*25*	*4*	*1*	*5*
Gains (losses) arising from other changes in demographic assumptions	*(8)*	*(1)*	*(9)*	*3*	*1*	*4*	*(54)*	*(1)*	*(55)*
Acquisitions, disposals	(1)	-	(1)	2	-	2	-	-	-
Foreign exchange differences	(46)	(3)	(49)	17	1	18	2	-	2
ACTUARIAL BENEFIT OBLIGATION AT YEAR-END	**(628)**	**(26)**	**(654)**	**(512)**	**(20)**	**(532)**	**(567)**	**(24)**	**(591)**

CHANGE IN THE FAIR VALUE OF PLAN ASSETS

(in millions of euros)	December 31, 2014 Pension plans	Health cover	Total	December 31, 2013 Pension plans	Health cover	Total	December 31, 2012 Pension plans	Health cover	Total
Fair value of plan assets at start of year	**375**	**-**	**375**	**353**	**-**	**353**	**307**	**-**	**307**
Actuarial return on plan assets	54	-	54	38	-	38	40	-	40
Employer contributions	21	2	23	27	2	29	21	-	21
Administrative fees	(1)	-	(1)	(1)	-	(1)	-	-	-
Acquisitions, disposals	-	-	-	-	-	-	-	-	-
Benefits paid	(29)	(2)	(31)	(31)	(2)	(33)	(16)	-	(16)
Foreign exchange differences	39	-	39	(11)	-	(11)	1	-	1
FAIR VALUE OF PLAN ASSETS AT YEAR-END	**459**	**-**	**459**	**375**	**-**	**375**	**353**	**-**	**353**
SURPLUS (DEFICIT)	**(169)**	**(26)**	**(195)**	**(137)**	**(20)**	**(157)**	**(214)**	**(24)**	**(238)**
Effect of ceiling on value of assets	(36)	-	(36)	(29)	-	(29)	(11)	-	(11)
Effect of minimum financing requirement	(23)	-	(23)	(18)	-	(18)	-	-	-
Net provision for defined benefit pension commitments and retirement medical coverage	**(228)**	**(26)**	**(254)**	**(184)**	**(20)**	**(204)**	**(225)**	**(24)**	**(249)**
Provision for other long-term benefits	**(39)**	**-**	**(39)**	**(34)**	**-**	**(34)**	**(36)**	**-**	**(36)**
TOTAL PROVISION FOR PENSION AND OTHER RETIREMENT AND LONG-TERM BENEFIT OBLIGATIONS	**(267)**	**(26)**	**(293)**	**(218)**	**(20)**	**(238)**	**(261)**	**(24)**	**(285)**

NET PERIODIC PENSION COST

(in millions of euros)	December 31, 2014 Pension plans	Health cover	Total	December 31, 2013 Pension plans	Health cover	Total	December 31, 2012 Pension plans	Health cover	Total
Cost of services rendered during the year	(14)	-	(14)	(16)	-	(16)	(14)	-	(14)
Curtailments and plan settlements	-	-	-	-	-	-	-	-	-
Cost of other plans (including defined contribution plans) and other benefits	(88)	-	(88)	(85)	-	(85)	(82)	-	(82)
Financial expense	(6)	(1)	(7)	(6)	(1)	(7)	(1)	(1)	(2)
Administrative fees excluding plan management fees	(1)	-	(1)	(1)	-	(1)			
TOTAL RETIREMENT COSTS RECOGNIZED IN THE INCOME STATEMENT	**(109)**	**(1)**	**(110)**	**(108)**	**(1)**	**(109)**	**(97)**	**(1)**	**(98)**

- .Breakdown of plan assets

The table below provides a breakdown of plans by asset type and by fair value hierarchy. The various fair value hierarchy levels are defined in Note 25.

	December 31, 2014				December 31, 2013				December 31, 2012			
(in millions of euros)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Shares	156			156	174			174	189			189
Bonds		100		100		78		78		74		74
Treasury bonds		188		188		108		108		69		69
Real estate			9	9			7	7			8	8
Other			6	6			8	8			13	13
TOTAL	**156**	**288**	**15**	**459**	**174**	**186**	**15**	**375**	**189**	**143**	**21**	**353**

ESTIMATE OF EMPLOYER CONTRIBUTIONS AND OF FUTURE BENEFITS PAYABLE

(in millions of euros)	Pension plans	Health cover	Total
Estimated employer contributions in 2015	18	2	20

(in millions of euros)	Pension plans	Health cover	Total
Estimated future benefits payable			
2015	36	2	38
2016	33	2	35
2017	34	2	36
2018	33	2	35
2019	34	2	36
Financial years 2020 to 2024	178	9	187
TOTAL OVER THE NEXT 10 FINANCIAL YEARS	**348**	**19**	**367**

The average duration of plans at end-December 2014 was 13.25 years.

Actuarial assumptions (weighted average rates)

Discount rates are calculated using rates of long-term investment grade corporate bonds (minimum AA rating) with maturities equivalent to the length of the plans assessed. They were determined based on external indexes commonly considered to be benchmarks, namely the iBoxx in Europe and the City Group Index in the United States.

	Pension plans				Post-employment health coverage	
December 31, 2014	United States	United Kingdom	Zone Euro	Other Country	United States	United Kingdom
Discount rate	3.64%	3.10% - 3.25%	1.75%	0.60% - 3.64%	3.64%	4.25%
Future wage increases	N/A	3.70% - 3.95%	2.25%(1)	1.50% - 5.00%	5.00%	N/A
Future pension increases	N/A	2.90% - 2.95%	2.00%(1)	N/A	N/A	N/A

	Pension plans				Post-employment health coverage	
December 31, 2013	United States	United Kingdom	Zone Euro	Other Country	United States	United Kingdom
Discount rate	4.11%	4.25% - 4.45%	3.17%	1.00% - 4.15%	4.11%	4.25% - 4.45%
Future wage increases	N/A	4.10% - 4.35%	2.25%(1)	1.50% - 6.00%	5.00%	N/A
Future pension increases	N/A	2.00% - 3.70%	2.00%(1)	N/A	N/A	N/A

	Pension plans				Post-employment health coverage	
December 31, 2012	United States	United Kingdom	Zone Euro	Other Country	United States	United Kingdom
Discount rate	3.20%	3.90% - 4.40%	3.00%	1.20% - 3.49%	3.20%	3.90% - 4.40%
Future wage increases	N/A	3.55% - 3.80%	2.25%(1)	1.50% - 6.00%	5.00%	N/A
Future pension increases	N/A	1.80% - 3.50%	2.00%(1)	N/A	N/A	N/A

(1) For Germany only.

The rate of increase in medical expenses used for 2014 is 7.66% to gradually decrease to 4.88%.

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	0.5% increase				
Pension plans (in millions of euros)	United States	United Kingdom	Zone Euro	Others	Total
Change in discount rate					
Effect on actuarial benefit obligation at year-end	(12)	(17)	(7)	(3)	(39)
Change in the increase rate of salaries					
Effect on actuarial benefit obligation at year-end	-	-	4	4	8

Pension plans (in millions of euros)	0.5% decrease United States	United Kingdom	Zone Euro	Others	Total
Change in discount rate					
Effect on actuarial benefit obligation at year-end	14	19	8	3	44
Change in the increase rate of salaries					
Effect on actuarial benefit obligation at year-end	-	-	(4)	(3)	(7)

Post-employment health coverage (in millions of euros)	0.5% increase			0.5% decrease		
	United States	United Kingdom	Total	United States	United Kingdom	Total
Change in discount rate						
Effect on actuarial benefit obligation at year-end	(1)	-	(1)	1	-	1
Change in the increase rate of salaries						
Effect on actuarial benefit obligation at year-end	1	-	1	(1)	-	(1)

Note 22 Borrowings and other financial liabilities

Number of securities on December 31, 2014	(in millions of euros)	December 31, 2014	December 31, 2013	December 31, 2012
	Bonds (excluding interest accrued) issued by Publicis Groupe:			
7,000	Eurobond 1.125% - December 2021 (Effective interest rate 1.261%)(1)	693	-	-
6,000	Eurobond 1.625% - December 2024 (Effective interest rate 1.732%)(1)(2)	601	-	-
253,262	Eurobond 4.25% - March 2015 (Effective interest rate 3.85%)	255	262	269
-	Océane 2.75% - January 2018 (Effective interest rate 2.75%)	-	27	126
1,562,129	Oranes 0.82% variable - September 2022 (Effective interest rate 8.50%)	28	42	15
	Other debt:			
	Accrued interest	10	8	6
	Other borrowings and credit lines	54	33	81
	Bank overdrafts	26	60	28
	Debt related to finance leases	88	78	81
	Debt related to acquisitions of shareholdings	322	223	317
	Debt arising from commitments to buy-out minority interests	83	127	186
	TOTAL BORROWINGS	**2,160**	**860**	**1,109**
	OF WHICH SHORT-TERM	**533**	**322**	**379**
	OF WHICH LONG-TERM	**1,627**	**538**	**730**

(1) Net of issuance costs.
(2) Including debt revaluation in respect of fair value interest rate hedges.

All the bonds issued by Publicis Groupe are at a fixed rate and are denominated in euros.

In 2014, the principal transaction involving borrowings was the euro 1.3 billion bond issue in two tranches:

- euro 700 million in bonds maturing on December 16, 2021, with an annual coupon rate of 1.125%;
- euro 600 million in bonds maturing on December 16, 2024, with an annual coupon rate of 1.625%.

The proceeds from the issue will be used to finance the acquisition of Sapient.

If the public tender offer for the ordinary shares of Sapient has not been completed by June 30, 2015, Publicis Groupe will have, at its discretion, the option of redeeming the full amount of the bonds issued at 101% of their par value until July 31, 2015 inclusive.

The tranche of euro 700 million maturing in December 2021 (Eurobond 2021) and the tranche of euro 600 million maturing in December 2024 (Eurobond 2024) were swapped into US dollars at a fixed and variable rate, respectively. The US dollar equivalent amounts were made available, through US dollar intercompany financing, to fund the acquisition of Sapient.

Details of the swaps can be found in Note 26.

The Eurobond 2021 swaps were designated as cash flow hedges for intercompany US dollar financing. The fair value of these swaps was booked under "Other creditors and current liabilities" in the amount of euro 16 million in the balance sheet as at December 31, 2014. The change in the fair value of these instruments was booked in "Other comprehensive income" and transferred to the income statement as interest on debt was paid and the asset value changed in US dollars.

The Eurobond 2024 swaps were classified as fair value hedges of the bond tranche maturing in 2024 (with respect to interest rate risk) and of the US dollar intercompany financing (with respect to exchange rate risk). The fair value of the swaps on the Eurobond 2024 was booked under "Other creditors and current liabilities" in the amount of euro 11 million in the balance sheet as at December 31, 2014. Changes in the fair value of these instruments are recognized in income, offsetting the revaluation of the Eurobond 2024 debt with respect to interest rate risk and the revaluation of the US dollar asset at the closing price.

The fixed-to-variable interest rate swap on the Eurobond 2015 was designated as a fair value hedge of the Eurobond 2015 debt. The Eurobond 2015 swapped to a variable rate was revalued at fair value at end-2012. In January 2013, the swap was unwound, triggering the receipt of a euro 20 million payment, and the recognition of euro 12 million in income, which, in accordance with IAS 39, was staggered over the remaining life of the bond. This bond is currently no longer hedged. The fair value of the swap on the Eurobond 2015 was booked under "Other receivables and current assets" in the amount of euro 13 million as at December 31, 2012.

In 2014, following conversion requests from the holders of 554,604 Océane 2018 bonds, 562,921 shares were delivered.

In 2013, following conversion requests from the holders of 2,065,260 Océane 2018 bonds, 2,096,233 shares were delivered.

On June 29, 2012 Publicis Groupe exercised its contractual early redemption option (issuer call) on the Océane 2014 issued on June 24, 2009. On July 19, 2012, virtually all bonds still outstanding, 24,257,895 in total, were converted and added to the 1,492,735 bonds already converted during the year. In all, these 25,750,630 bonds were converted into 25,900,629 shares, after applying various conversion ratios.

With respect to the Orane, it should be noted that the debt component of this instrument, representing the present value of the interest, was recalculated in light of the decisions of the Meeting of Orane holders held on October 10, 2013. This led to an increase in liabilities, as presented in the above table at December 31, 2013.

Debt relating to commitments to buy-out minority interests and earn out clauses is centralized and valued at the period-end on the basis of the contractual clauses, the latest available data and the relevant data projections for the period.

Changes in debt resulting from commitments to purchase minority interests are as follows:

(in millions of euros)	Debt arising from commitments to buy-out minority interests
AT JANUARY 1, 2012	**190**
Debt contracted during the year	37
Buy-outs	(25)
Revaluation of the debt and translation adjustments	(16)
AT DECEMBER 31, 2012	**186**
Debt contracted during the year	48
Buy-outs	(83)
Revaluation of the debt and translation adjustments	(24)
AT DECEMBER 31, 2013	**127**
Debt contracted during the year	6
Buy-outs	(53)
Revaluation of the debt and translation adjustments	3
AT DECEMBER 31, 2014	**83**

The buy-outs during the year were paid for in cash.

ANALYSIS BY DATE OF MATURITY

(in millions of euros)	December 31, 2014 Total	Maturity 2015	2016	2017	2018	2019	+5 yrs
Bonds[1] and other bank borrowings	1,667	354	19	-	-	-	1,294
Debt related to finance leases	88	-	-	-	-	-	88
Debt related to acquisitions of shareholdings	322	125	83	58	56	-	-
Debt related to commitments to purchase non-controlling interests	83	54	14	9	6	-	-
TOTAL	**2,160**	**533**	**116**	**67**	**62**	**-**	**1,382**

(1) As a result of the cancellation of the planned merger, the early redemption provisions of the Orane will not be applicable and they will continue to be governed by the current terms of their contract of issuance. Notwithstanding, on September 16, 2014, Publicis Groupe announced that the redemption of the Orane will be put to the Meeting of Orane holders and to the Shareholders' Meeting of Publicis Groupe in 2015. Accordingly, the debt component of the Oranes has been classified as short term in the table above.

(in millions of euros)	December 31, 2013 Total	Maturity 2014	2015	2016	2017	2018	+5 yrs
Bonds[1] and other bank borrowings	432	156	276	-	-	-	-
Debt related to finance leases	78	-	-	-	-	-	78
Debt related to acquisitions of shareholdings	223	89	55	56	14	9	-
Debt related to commitments to purchase non-controlling interests	127	77	20	16	13	1	-
TOTAL	**860**	**322**	**351**	**72**	**27**	**10**	**78**

(1) The Ordinary Shareholders' Meeting held on October 10, 2013 decided to redeem the debt component of all of the outstanding Oranes with shares of Publicis immediately following the Publicis Groupe Shareholders' Meeting that was supposed to approve the Publicis/Omnicom merger. Accordingly, the debt component of the Oranes has been classified as short term in the table above.

(in millions of euros)	December 31, 2012 Total	Maturity 2013	2014	2015	2016	2017	+5 yrs
Bonds and other bank borrowings	525	105	141	271	2	2	4
Debt related to finance leases	81	-	-	-	-	-	81
Debt related to acquisitions of shareholdings	317	144	84	50	39	-	-
Debt related to commitments to purchase non-controlling interests	186	130	17	24	8	6	1
TOTAL	**1,109**	**379**	**242**	**345**	**49**	**8**	**86**

Analysis by currency

(in millions of euros)	December 31, 2014	December 31, 2013	December 31, 2012
Euros*	1,681	435	482
US dollars	264	148	141
Other currencies	215	277	486
TOTAL	**2,160**	**860**	**1,109**

* *Including euro 1,294 million in Eurobonds, swapped to USD at December 31, 2014.*

Analysis by interest rate type

See Note 26. "Risk management - Exposure to interest rate risk".

Exposure to liquidity risk

Future payments related to financial debt before the impact of discounting (excluding debt linked to finance leases) are as follows:

	December 31, 2014						
		Maturity					
(in millions of euros)	Total	2015	2016	2017	2018	2019	+5 yrs
Bonds and other bank borrowings	1,838	384	37	18	18	18	1,363
Debt related to acquisitions of shareholdings	335	127	86	62	60	-	-
Debt related to commitments to purchase non-controlling interests	90	57	16	10	7	-	-
TOTAL	**2,263**	**568**	**139**	**90**	**85**	**18**	**1,363**

	December 31, 2013						
		Maturity					
(in millions of euros)	Total	2014	2015	2016	2017	2018	+5 yrs
Bonds and other bank borrowings	445	167	278	-	-	-	-
Debt related to acquisitions of shareholdings	240	92	59	63	16	10	-
Debt related to commitments to purchase non-controlling interests	137	80	22	18	15	2	-
TOTAL	**822**	**339**	**359**	**81**	**31**	**12**	**-**

	December 31, 2012						
		Maturity					
(in millions of euros)	Total	2013	2014	2015	2016	2017	+5 yrs
Bonds and other bank borrowings	610	113	24	154	294	7	18
Debt related to acquisitions of shareholdings	335	148	89	54	44	-	-
Debt related to commitments to purchase non-controlling interests	199	135	19	27	9	7	2
TOTAL	**1,144**	**396**	**132**	**235**	**347**	**14**	**20**

In order to manage its liquidity risk, Publicis holds a substantial amount of cash (cash and cash equivalents) for a total of euro 3,158 million as at December 31, 2014 and undrawn confirmed credit lines representing a total of euro 3,473 million as at December 31, 2014. The two main credit lines are a multi-currency syndicated facility in the amount of euro 1,200 million expiring in 2016 and a credit facility in the amount of US dollar 1,890 million taken out in late 2014 as part of the acquisition of Sapient. These immediately available or almost immediately available amounts allow the Group to pay its financial debt maturing in less than one year.

Apart from bank overdrafts, most of the Group's debt consists of bonds, which do not include financial "covenants". They only include standard credit default event clauses (liquidation, cessation of payment, default on the debt itself or on the repayment of another debt above a given threshold) which are generally applicable above a threshold of euro 25 million. The only early redemption option exercisable by the holders relates to the Océane 2018 which can be exercised in January 2014.

The Group has not established any credit derivatives to date.

Finance leases

The reconciliation between future minimum payments in respect of finance leases and the discounted value of net minimum payments for those leases is as follows:

	December 31, 2014						
		Maturity					
(in millions of euros)	Total	2015	2016	2017	2018	2019	+5 yrs
Minimum payments	224	10	11	11	11	11	170
Effect of discounting	(136)	(10)	(11)	(11)	(11)	(11)	(82)
DISCOUNTED VALUE OF MINIMUM PAYMENTS	**88**	**-**	**-**	**-**	**-**	**-**	**88**

	December 31, 2013						
		Maturity					
(in millions of euros)	Total	2014	2015	2016	2017	2018	+5 yrs
Minimum payments	206	9	9	9	10	10	159
Effect of discounting	(129)	(9)	(9)	(9)	(10)	(10)	(82)
DISCOUNTED VALUE OF MINIMUM PAYMENTS	**77**	**-**	**-**	**-**	**-**	**-**	**77**

	December 31, 2012						
		Maturity					
(in millions of euros)	Total	2013	2014	2015	2016	2017	+5 yrs
Minimum payments	234	9	9	9	10	10	187
Effect of discounting	(153)	(9)	(9)	(9)	(9)	(9)	(108)
DISCOUNTED VALUE OF MINIMUM PAYMENTS	**81**	**-**	**-**	**-**	**1**	**1**	**79**

Note 23 Other creditors and current liabilities

(in millions of euros)	December 31, 2014	December 31, 2013*	December 31, 2012*
Advances and deposits received	364	378	451
Liabilities to employees	471	433	445
Tax liabilities (excl. income tax)	218	194	197
Deferred income	354	345	319
Derivatives backed by current assets or liabilities	37	20	4
Eurobond 2021 and 2024 derivatives	27	-	-
Derivatives on intercompany loans and borrowings	15	5	3
Other current liabilities	226	273	235
TOTAL	**1,712**	**1,648**	**1,654**

* *Figures have been restated as explained in Note 1. "Accounting policies" in accordance with IFRIC 21.*

Note 24 Commitments

Operating leases

	December 31, 2014						
		Maturity					
(in millions of euros)	Total	2015	2016	2017	2018	2019	+5 yrs
Commitments given							
Operating leases	1,665	296	264	236	204	167	498
Commitments received							
Sub-lease commitments	13	4	2	1	1	1	4

	December 31, 2013						
		Maturity					
(in millions of euros)	Total	2014	2015	2016	2017	2018	+5 yrs
Commitments given							
Operating leases	1,586	255	235	203	183	158	552
Commitments received							
Sub-lease commitments	15	4	2	2	1	1	5

	December 31, 2012						
		Maturity					
(in millions of euros)	Total	2013	2014	2015	2016	2017	+5 yrs
Commitments given							
Operating leases	1,508	242	229	195	175	160	507
Commitments received							
Sub-lease commitments	18	5	3	2	1	1	6

Lease expenses (net of sub-lease income) amounted to euro 281 million in 2014, euro 268 million in 2013 and euro 258 million in 2012.

Other commitments

	December 31, 2014			
		Maturity		
(in millions of euros)	Total	-1 yr	1 to 5 yrs	+5 yrs
Commitments given				
Guarantees[1]	153	70	37	46
Other commitments[2]	565	139	406	20
Commitments to purchase investment[3]	2,916	2,916	-	-
TOTAL	**3,634**	**3,125**	**443**	**66**
Commitments received				
Undrawn credit lines[4]	3,700	432	3,268	-
Other commitments[5]	64	24	29	11
TOTAL	**3,764**	**456**	**3,297**	**11**

(1) At December 31, 2014, guarantees included a guarantee to pay real estate taxes and expenses relating to the Leo Burnett building in Chicago for a total of euro 46 million, staggered until 2019. They also included guarantees of approximately euro 8 million relating to media-buying operations.
(2) These included euro 499 million of minimum fees guaranteed under advertising space usage contracts. In addition, the Group remains committed to minimum purchases over two years which if not concluded could entail payments (cash and services) of up to a maximum of euro 21 million per annum for this contract expiring on June 30, 2016.
(3) Refers to obligations to buy securities in connection with the public tender offer on Sapient Corporation for an amount of euro 2,901 million (US dollar 3,522 million).
(4) The undrawn credit lines included euro 3,473 million of confirmed credit lines (see Note 22).
(5) This refers to euro 21 million in annual billing commitments received for an initial five-year period starting in 2010 and ending on June 30, 2015.

	December 31, 2013			
		Maturity		
(in millions of euros)	Total	-1 yr	1 to 5 yrs	+5 yrs
Commitments given				
Guarantees[1]	157	45	64	48
Other commitments[2]	560	131	352	77
Commitments to purchase investment[3]	11	11	-	-
TOTAL	**728**	**187**	**416**	**125**
Commitments received				
Undrawn credit lines[4]	2,124	420	1,704	-
Other commitments[5]	38	22	9	7
TOTAL	**2,162**	**442**	**1,713**	**7**

(1) At December 31, 2013, guarantees included a guarantee to pay real estate taxes and expenses relating to the Leo Burnett building in Chicago for a total of euro 58 million, staggered until 2019. They also included guarantees of approximately euro 7 million relating to media-buying operations.
(2) These included euro 519 million of minimum fees guaranteed under advertising space usage contracts. In addition, the Group remains committed to minimum purchases over four years which if not concluded could entail up to a maximum of euro 27 million in payments (cash and services) for the entire term of the contract expiring on June 30, 2015 (maximum of euro 18 million per annum).
(3) This included a commitment to repurchase companies in Romania for euro 11 million.
(4) The undrawn credit lines included euro 1,909 million of confirmed credit lines.
(5) This refers to euro 18 million in annual billing commitments received for an initial five-year period starting in 2010 and ending on June 30, 2015.

	December 31, 2012			
		Maturity		
(in millions of euros)	Total	-1 yr	1 to 5 yrs	+5 yrs
Commitments given				
Guarantees(1)	106	41	24	41
Other commitments(2)	577	127	381	69
Commitments to purchase investment(3)	331	331	-	-
TOTAL	**1,014**	**499**	**405**	**110**
Commitments received				
Undrawn credit lines(4)	2,126	419	1,707	-
Other commitments(5)	58	22	35	1
TOTAL	**2,184**	**441**	**1,743**	**1**

(1) At December 31, 2012, guarantees included a guarantee to pay real estate taxes and expenses relating to the Leo Burnett building in Chicago for a total of euro 73 million, staggered until 2019. They also included guarantees of approximately euro 7 million relating to media-buying operations.

(2) These included euro 524 million of minimum fees guaranteed under advertising space usage contracts. In addition, the Group remains committed to minimum purchases over four years which if not concluded could entail up to euro 47 million in payments (cash and services) for the entire term of the contract expiring on June 30, 2015 (maximum of euro 19 million per annum).

(3) Refers to obligations to buy securities in connection with the public tender offer on LBi for an amount of euro 328 million.

(4) The undrawn credit lines included euro 1,912 million of confirmed credit lines.

(5) This refers to euro 19 million in annual billing commitments received for an initial five-year period starting in 2010 and ending on June 30, 2015.

Commitments related to bonds and Oranes

Orane – Bonds redeemable in new or existing shares – September 2022

Following the redemption of the first ten tranches of the debt on September 1 of each year since 2005 and the adjustment of the redemption coefficient from 1 to 1.015 share per Orane, each Orane contractually entitles the holder to receive 8.12 new or existing Publicis Groupe shares at the rate of 1.015 per annum until the 20th anniversary of the debt. Therefore, Publicis Groupe has a commitment to deliver 1,585,561 shares each year from September 2015 to September 2022, *i.e.* an aggregate of 12,684,488 shares that may be issued at Publicis Groupe's discretion in either new shares or existing shares already in its portfolio.

In addition, a Meeting of the Orane holders was held on October 10, 2013 to decide, subject to the approval of the Publicis/Omnicom merger by the shareholders of both the Publicis Groupe and the Omnicom Group, on the redemption of the debt component of all of the outstanding Oranes immediately following these Shareholders' Meetings.

As a result of the cancellation of the planned merger, the early redemption provisions of the Orane are not applicable and they continue to be governed by the current terms of their contract of issuance. Notwithstanding, on September 16, 2014, Publicis Groupe announced that the expected redemption of the Orane will be put to the Meeting of Orane holders and to the Shareholders' Meeting of Publicis Groupe in 2015.

Océane 2018 – 2.75% actuarial – January 2018

In January 2014, all the remaining bonds were either converted or redeemed. No Océane 2014 bonds were outstanding at December 31, 2014.

Obligations related to warrants

The exercise of warrants, which could occur at any time from September 24, 2013 to September 24, 2022, will lead to an increase in the Publicis Groupe's capital stock. The conversion ratio was adjusted by a factor of 1.015 so as to reflect those distributions drawn from the Company's reserves and premiums. Following the cancellation of warrants, bought back in 2005, 2006 and 2013, and the exercise in 2014 of 674,652 warrants having resulted in the creation of 684,773 new shares, Publicis Groupe was, at December 31, 2014, committed to creating (in the event that the outstanding 2,170,476 warrants were exercised) 2,203,033 shares with a euro 0.40 par value and a euro 30.10 premium.

Pledges, Guarantees and Collateral

As at December 31, 2014, there were no significant commitments such as pledges, guarantees or collateral.

Note 25 Financial instruments

Statement of financial position for each category of financial instrument

(in millions of euros)	December 31, 2014 Value in balance sheet	Fair value through P&L	Available-for-sale assets	Loans and receivables, Borrowings and other debt	Assets held to maturity	Debt at amortized cost	Derivative instruments
Other financial assets	195	-	123	72	-	-	-
Trade receivables	7,676	-	-	7,676	-	-	-
Other receivables and current assets[(1)]	133	-	-	66	-	-	67
Cash and cash equivalents	3,158	3,158	-	-	-	-	-
ASSETS	**11,162**	**3,158**	**123**	**7,814**	**0**	**-**	**67**
Long-term borrowings	1,627	-	-	-	-	1,627	-
Short-term borrowings	533	-	-	-	-	533	-
TOTAL BORROWINGS	**2,160**	**-**	**-**	**-**	**-**	**2,160**	**-**
Trade payables	9,640	-	-	9,640	-	-	-
Other creditors and current liabilities[(2)]	304	-	-	225	-	-	79
LIABILITIES	**12,104**	**-**	**-**	**9,865**	**-**	**2,160**	**79**

(in millions of euros)	December 31, 2013 Value in balance sheet	Fair value through P&L	Available-for-sale assets	Loans and receivables, Borrowings and other debt	Assets held to maturity	Debt at amortized cost	Derivative instruments
Other financial assets	121	-	44	74	3	-	-
Trade receivables	6,994	-	-	6,994	-	-	-
Other receivables and current assets[(1)]	103	-	-	69	-	-	34
Cash and cash equivalents	1,442	1,442	-	-	-	-	-
ASSETS	**8,660**	**1,442**	**44**	**7,137**	**3**	**-**	**34**
Long-term borrowings	538	-	-	-	-	538	-
Short-term borrowings	322	-	-	-	-	322	-
TOTAL BORROWINGS	**860**	**-**	**-**	**-**	**-**	**860**	**-**
Trade payables	8,636	-	-	8,636	-	-	-
Other creditors and current liabilities[(2)]	298	-	-	273	-	-	25
LIABILITIES	**9,794**	**-**	**-**	**8,909**	**-**	**860**	**25**

(1) Excluding tax claims, advances to suppliers and prepayments (see Note 17).
(2) Excluding advances and deposits received, liabilities to employees, tax liabilities and deferred income (see Note 23).

	December 31, 2012						
(in millions of euros)	Value in balance sheet	Fair value through P&L	Available-for-sale assets	Loans and receivables, Borrowings and other debt	Assets held to maturity	Debt at amortized cost	Derivative instruments
Other financial assets	242	-	162	78	2	-	-
Trade receivables	6,841	-	-	6,841	-	-	-
Other receivables and current assets[(1)]	102	-	-	83	-	-	19
Cash and cash equivalents	1,314	1,314	-	-	-	-	-
ASSETS	**8,499**	**1,314**	**162**	**7,002**	**2**	**-**	**19**
Long-term borrowings	730	-	-	-	-	730	-
Short-term borrowings	379	-	-	-	-	379	-
TOTAL BORROWINGS	**1,109**	**-**	**-**	**-**	**-**	**1,109**	**-**
Trade payables	8,249	-	-	8,249	-	-	-
Other creditors and current liabilities[(2)]	242	-	-	235	-	-	7
LIABILITIES	**9,600**	**-**	**-**	**8,484**	**-**	**1,109**	**7**

(1) Excluding tax claims, advances to suppliers and prepayments (see Note 17).
(2) Excluding advances and deposits received, liabilities to employees, tax liabilities and deferred income (see Note 23).

Income statement per category of financial instruments

	December 31, 2014								
					Debt at amortized cost		Loans and receivables		
(in millions of euros)	Valuation at fair value	Interest on assets remeasured at fair value	Dividends on available-for-sale assets	Impairment of assets held to maturity	Foreign exchange effects	Interest	Foreign exchange effects	Impairment and reversal of impairment	Change in value of derivatives
Operating income	-	-	-	-	-	-	-	(17)	-
Cost of net financial debt	-	26	-	-	-	(48)	-	-	-
Other financial income and expenses[(1)]	-	-	-	-	-	-	24	-	(19)

	December 31, 2013								
					Debt at amortized cost		Loans and receivables		
(in millions of euros)	Valuation at fair value	Interest on assets remeasured at fair value	Dividends on available-for-sale assets	Impairment of assets held to maturity	Foreign exchange effects	Interest	Foreign exchange effects	Impairment and reversal of impairment	Change in value of derivatives
Operating income	-	-	-	-	-	-	-	5	-
Cost of net financial debt	-	20	-	-	-	(46)	-	-	-
Other financial income and expenses[(1)]	-	-	1	-	-	-	9	-	(2)

(1) Excluding the financial cost related to discounting long-term vacant property provisions and pension provisions (see Note 7).

	December 31, 2012								
					Debt at amortized cost		Loans and receivables		
(in millions of euros)	Valuation at fair value	Interest on assets remeasured at fair value	Dividends on available-for-sale assets	Impairment of assets held to maturity	Foreign exchange effects	Interest	Foreign exchange effects	Impairment and reversal of impairment	Change in value of derivatives
Operating income	-	-	-	-	-	-	-	(23)	-
Cost of net financial debt	-	41	-	-	-	(71)	-	-	-
Other financial income and expenses[(1)]	-	-	1	-	-	-	-	-	(3)

(1) Excluding the financial cost related to discounting long-term vacant property provisions and pension provisions (see Note 7).

Fair value

The carrying amount of financial assets and liabilities recognized at amortized cost approximates fair value, except for financial liabilities, which had a fair value of euro 2,366 million at December 31, 2014 (vs. a carrying amount of euro 2,160 million). At December 31, 2013, the fair value of financial liabilities was euro 955 million (vs. a carrying amount of euro 860 million).

The fair values of Eurobonds and of the debt components of convertible bonds and Orane have been calculated by discounting the expected future cash flows to present at market interest rates (fair value Level 2).

Fair value hierarchy

The table below breaks down financial instruments recognized at fair value according to the measurement method used. The different levels of fair value have been defined as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities;
- Level 2: Observable data other than quoted prices for identical assets or liabilities in active markets;
- Level 3: Unobservable data.

DECEMBER 31, 2014

(in millions of euros)	Level 1	Level 2	Level 3	Total
Short-term liquid investments	2,666	-	-	2,666
Available-for-sale financial assets	52	-	71	123
Derivative instruments – Assets	-	67	-	67
	2,718	**67**	**71**	**2,856**
Derivative instruments – Liabilities	-	(79)	-	(79)
TOTAL	**2,718**	**(12)**	**71**	**2,777**

DECEMBER 31, 2013

(in millions of euros)	Level 1	Level 2	Level 3	Total
Short-term liquid investments	1,001	-	-	1,001
Available-for-sale financial assets	41	-	6	47
Derivative instruments – Assets	-	34	-	34
	1,042	**34**	**6**	**1,082**
Derivative instruments – Liabilities	-	(25)	-	(25)
TOTAL	**1,042**	**9**	**6**	**1,057**

DECEMBER 31, 2012

(in millions of euros)	Level 1	Level 2	Level 3	Total
Short-term liquid investments	965			965
Available-for-sale financial assets	67	-	97	164
Derivative instruments – Assets	-	19	-	19
	1,032	**19**	**97**	**1,148**
Derivative instruments – Liabilities	-	(7)	-	(7)
TOTAL	**1,032**	**12**	**97**	**1,141**

Note 26 Risk management

Exposure to interest rate risk

Group management determines the allocation of debt between fixed and variable-rate debt, which is periodically reviewed in terms of interest rate trend forecasts.

At the end of 2014, the Group's gross borrowings, excluding debt related to acquisition of shareholdings and debt relating to commitments to buy-out non-controlling interests, was composed of:

- 61% in fixed-rate loans with an average interest rate for 2014 of 4%;
- 39% of variable-rate loans.

The table below sets out the carrying amount by maturity on December 31, 2014 of the Group's financial instruments that are exposed to interest rate risk:

(in millions of euros)	Total at December 31, 2014	Maturity -1 yr	1 to 5 yrs	+5 yrs
Fixed rate				
Eurobond 2024[(1)(3)(4)]	601	-	-	601
Eurobond 2021[(2)(3)]	693	-	-	693
Eurobond 2015	255	255	-	-
Oranes (debt component)	28	28	-	-
Debt related to finance leases	88	-	-	88
Net fixed-rate liabilities (assets) before hedging	1,665	283	-	1,382
Eurobond 2024 swapped to a variable rate[(1)]	(601)	-	-	(601)
NET FIXED-RATE LIABILITIES (ASSETS) AFTER HEDGING	**1,064**	**283**	**-**	**781**
Variable rate				
Bank borrowings	64	45	19	-
Bank overdrafts	26	26	-	-
Cash and cash equivalents	(3,158)	(3,158)	-	-
Other financial assets	(194)	-	-	(194)
NET VARIABLE-RATE LIABILITIES (ASSETS) BEFORE HEDGING	**(3,262)**	**(3,087)**	**19**	**(194)**
Eurobond 2024 swapped to a variable rate[(1)]	601	-	-	601
NET VARIABLE-RATE LIABILITIES (ASSETS) AFTER HEDGING	**(2,661)**	**(3,087)**	**19**	**407**

(1) The Eurobond 2024 swaps have the following characteristics:
- *euro 300 million equivalent, 10-year, at 3-month Libor +113.65 bp;*
- *euro 300 million equivalent, 10-year, at 3-month Libor +110 bp.*

(2) The Eurobond 2021 swaps have the following characteristics:
- *euro 350 million equivalent, 7-year, fixed rate at 2.921%;*
- *euro 350 million equivalent, 7-year, fixed rate at 2.9180%.*

(3) Net of issuance costs.
(4) Including debt revaluation.

Exposure to exchange rate risk

Net assets

The table below shows the Group's net assets at December 31, 2014 broken down by principal currencies:

(in millions of euros)	Total at December 31, 2014	Euro[(1)]	US dollar	Pound Sterling	Brazilian Real	Yuan	Other
Assets	20,626	3,805	10,486	991	524	1,208	3,612
Liabilities	14,511	3,808	6,714	757	242	765	2,225
NET ASSETS	**6,115**	**(3)**	**3,772**	**234**	**282**	**443**	**1,387**
Effect of foreign exchange hedges[(2)]		**1,563**	**(1,481)**	**264**			**(346)**
NET ASSETS AFTER HEDGING	**6,115**	**1,560**	**2,291**	**498**	**282**	**443**	**1,041**

(1) Reporting 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 euro, the reporting currency used in the Group's financial statements, can have an impact on the Group's consolidated balance sheet and consolidated income statement.

Revenue and operating margin

The breakdown of Group revenue by the currency in which it is earned is as follows:

	2014	2013	2012
Euro	17%	17%	18%
US dollar	47%	46%	46%
Pound Sterling	8%	8%	7%
Other	28%	29%	29%
TOTAL REVENUE	**100%**	**100%**	**100%**

The impact of a drop of 1% in the euro's exchange rate against the US dollar and the pound sterling would be (favorable impact):

- euro 40 million on 2014 consolidated revenue;
- euro 7 million on the 2014 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 currency hedging agreements.

As regards intercompany loans/borrowings, these are subject to appropriate hedges if they present a significant net exposure to exchange rate risk.

Derivatives used are generally forward currency contracts or currency swaps.

Exposure to client counterparty risk

The Group analyzes its trade receivables, focusing in particular on improving the time taken to recover such receivables, in the context of the management of its working capital requirements. 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 impairments 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 table shows the period overdue of the invoiced trade receivables for the last three financial years:

(in millions of euros)	2014	2013	2012
Amounts not yet due	**5,067**	**4,538**	**4,564**
Overdue receivables:			
Up to 30 days	396	368	452
31 to 60 days	118	122	131
61 to 90 days	48	32	44
91 to 120 days	23	27	28
More than 120 days	89	89	102
TOTAL OVERDUE RECEIVABLES	674	638	757
INVOICED TRADE RECEIVABLES	**5,741**	**5,176**	**5,321**
Impairment	(77)	(77)	(101)
INVOICED TRADE RECEIVABLES, NET	**5,664**	**5,099**	**5,220**

Disclosures regarding major clients

(% of revenue)	2014	2013	2012
Five largest clients	17%	18%	19%
Ten largest clients	24%	25%	27%
Twenty largest clients	33%	34%	37%
Thirty largest clients	40%	41%	44%
Fifty largest clients	49%	50%	53%
One hundred largest clients	59%	61%	63%

Exposure to bank counterparty risk

Publicis has established a group-wide policy for selecting authorized banks as counterparties for all its subsidiaries. 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 ensure that almost all cash and cash equivalents are deposited in authorized banks.

Other

On May 9, 2014, Publicis Groupe SA and Omnicom Group Inc. jointly announced the termination of their planned merger (announced July 28, 2013) by mutual agreement in light of the difficulties faced implementing the deal within a reasonable timeframe. The two companies released each other from any liability and no indemnity will be paid by either party.

Moreover, a suit was filed to, among other things, stop the merger on August 5, 2013 by various shareholders of Omnicom Group Inc. in New York State Supreme Court. The applicants withdrew the suit on May 22, 2014 following the announcement of the cancellation of the planned merger.

Note 27 Operating segment information

Information by business sector

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 operating segments which correspond to our networks of agencies and which may be categorized together since they share 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). The operating segments are thus pooled into a single sector in accordance with IFRS 8.

Reporting by region

Given the importance of geographic location for the analysis of our business, the Group has chosen to provide specific information by region.

Data are established on the basis of the location of the agency.

YEAR 2014

(in millions of euros)	Europe	North America	Asia Pacific	Latin America	Middle East & Africa	Total
Income statement items						
Revenue[(1)]	2,237	3,490	861	449	218	**7,255**
Depreciation and amortization expense (excluding intangibles from acquisitions)	(51)	(50)	(16)	(5)	(3)	**(125)**
Operating margin including merger costs and Sapient acquisition costs	268	698	115	61	40	**1,182**
Operating margin excluding merger costs and Sapient acquisition costs	257	716	115	61	40	**1,189**
Amortization of intangibles from acquisitions	(11)	(35)	(1)	(4)	-	**(51)**
Impairment	(38)	(15)	(13)	(6)	-	**(72)**
Balance sheet items						
Goodwill, net	2,253	3,467	770	402	114	**7,006**
Intangible assets, net	148	769	4	34	-	**955**
Property, plant and equipment, net	296	199	31	17	9	**552**
Other financial assets	142	26	21	5	1	**195**
Disclosures in respect of the statement of cash flows						
Purchases of property, plant and equipment and intangible assets	(53)	(56)	(7)	(16)	(3)	**(135)**
Purchases of investments and other financial assets, net	(58)	(1)	-	7	-	**(52)**
Acquisitions of subsidiaries	(134)	(143)	(43)	(73)	(10)	**(403)**

(1) Because of the way this indicator is calculated (difference between billings and cost of billings), no eliminations are required between the different zones.

YEAR 2013

(in millions of euros)	Europe	North America	Asia Pacific	Latin America	Middle East & Africa	Total
Income statement items						
Revenue[(1)]	2,154	3,303	836	464	196	**6,953**
Depreciation and amortization expense (excluding intangibles from acquisitions)	(48)	(49)	(15)	(4)	(3)	**(119)**
Operating margin including merger costs	204	670	113	78	42	**1,107**
Operating margin excluding merger costs	242	670	113	78	42	**1,145**
Amortization of intangibles from acquisitions	(9)	(34)	(1)	(5)	-	**(49)**
Impairment	(1)	(3)	-	-	-	**(4)**
Balance sheet items						
Goodwill, net	2,095	2,813	701	408	106	**6,123**
Intangible assets, net	196	702	4	37	0	**939**
Property, plant and equipment, net	285	174	32	15	7	**513**
Other financial assets	67	22	26	5	1	**121**
Disclosures in respect of the statement of cash flows						
Purchases of property, plant and equipment and intangible assets	(61)	(39)	(16)	(7)	(3)	**(126)**
Purchases of investments and other financial assets, net	(14)	63	1	(1)	-	**49**
Acquisitions of subsidiaries	(395)	(115)	(143)	(13)	(20)	**(686)**

(1) Because of the way this indicator is calculated (difference between billings and cost of billings), no eliminations are required between the different zones.

YEAR 2012

(in millions of euros)	Europe	North America	Asia Pacific	Latin America	Middle East & Africa	Total
Income statement items						
Revenue[1]	1,976	3,146	842	463	183	**6,610**
Depreciation and amortization expense (excluding intangibles from acquisitions)	(46)	(56)	(15)	(6)	(3)	**(126)**
Operating margin	256	580	114	82	30	**1,062**
Amortization of intangibles from acquisitions	(8)	(31)	(2)	(4)	-	**(45)**
Impairment	(3)	(7)	-	-	(1)	**(11)**
Balance sheet items						
Goodwill, net	1,654	2,834	649	449	81	**5,667**
Intangible assets, net	161	768	3	49	1	**982**
Property, plant and equipment, net	279	174	35	12	6	**506**
Other financial assets	143	65	28	5	1	**242**
Disclosures in respect of the statement of cash flows						
Purchases of property, plant and equipment and intangible assets	(60)	(39)	(18)	(4)	(2)	**(123)**
Purchases of investments and other financial assets, net	(118)	1	(3)	-	-	**(120)**
Acquisitions of subsidiaries	(135)	(33)	(51)	(143)	(7)	**(369)**

(1) Because of the way this indicator is calculated (difference between billings and cost of billings), no eliminations are required between the different zones.

Note 28 Publicis Groupe SA stock option and free share plans

The free share plans in force on December 31, 2014 have the following features:

- Long Term Incentive Plan "LTIP 2014" (March 2014)

  Under this plan, a certain number of Group managers were awarded free shares, subject to two conditions. Firstly, employment must continue throughout the four-year vesting period, except for tax residents of France who have a shorter three-year vesting period but an additional two-year lock-in period. Furthermore, the free shares are subject to performance criteria, such that the total number of shares received will depend on the overall attainment of growth and profitability targets in 2014. The shares were initially awarded in March 2014 and will vest in March 2018, except for French employees whose share awards will vest in March 2017.

- Long Term Incentive Plan "LTIP 2013" (April 2013) and "LTIP 2013-2015" (June 2013) for members of the Management Board

  Under these plans, a certain number of Group managers were awarded free shares, subject to two conditions. Firstly, employment must continue throughout the four-year vesting period, except for tax residents of France who have a shorter three-year vesting period but an additional two-year lock-in period. Furthermore, with respect to the LTIP 2013, the shares were subject to additional performance criteria, such that the total number of shares received was dependent on the overall attainment of growth and profitability targets in 2013. Performance was measured in March 2014, with 59.7% of the targets for the LTIP 2013 plan being achieved. The shares were initially awarded in April 2013 and will vest in April 2017, except for French employees whose share awards will vest in April 2016. For the LTIP 2013-2015 restricted to members of the Management Board, the targets will be measured following the 2015 reporting date. The shares were initially awarded in June 2013 and will vest in June 2017, except for French members of the Management Board whose share awards will vest in June 2016.

- Free shares granted as part of a co-investment program (April 2013)

  Under this plan, offered to 200 members of Group management, each beneficiary is awarded one free share and 7.03 share subscription options for each Publicis share purchased on their behalf by LionLead, a specific structure dedicated to this operation. The free shares are subject to conditions: *i.e.*, that the entire investment remains unsold and that employment continues throughout the four-year vesting period, except for tax residents of France who have a shorter three-year vesting period but an additional two-year lock-in period. These shares were awarded in April 2013 and will vest in April 2017, except for French employees whose shares will vest in April 2016.

  The free shares granted to corporate officers are subject to additional performance conditions, such that the number of shares that can effectively be received will depend on the growth and profitability targets attained over the 2013-2015 period.

- Free share plan for employees in the following 26 countries (February 2013): Australia, Austria, Bulgaria, Colombia, Costa Rica, Czech Republic, Greece, Guatemala, Hong Kong, Hungary, Israel, Lebanon, Malaysia, Mauritius, New Zealand, Panama, Puerto Rico, Romania, Serbia, Singapore, South Korea, Switzerland, Taiwan, Thailand, Turkey and the United Arab Emirates.

  Under this plan, as was done in France in 2009, in the United States in 2010 and in 16 other countries in 2011, 50 free shares were allocated on February 1, 2013 to all employees who have at least six months of employment and who work more than 21 hours per week in a majority-owned subsidiary established in one of the countries included in the plan. Receipt of the shares is conditional on four years of employment: the free shares will be issued to the beneficiaries in February 2017, the date at which they become the beneficial owners thereof and are able to exercise their rights as shareholders.

- Long Term Incentive Plan "LTIP 2012" (April 2012)

  Under this plan, a certain number of Group managers were awarded free shares, subject to two conditions. Firstly, employment must continue throughout the four-year vesting period, except for tax residents of France who have a shorter three-year vesting period but an additional two-year lock-in period. Furthermore, the free shares are subject to additional performance criteria, such that the total number of shares received was dependent on the overall attainment of growth and profitability targets in 2012. Performance was measured in March 2013, with 100% of the targets for this plan being achieved. The shares were initially awarded in April 2012 and will vest in April 2016, except for French employees whose share awards will vest in April 2015.

- Free share plan for employees in the following 16 countries (December 2011): Belgium, Brazil, Canada, Denmark, Finland, Germany, India, Italy, Mexico, Norway, Netherlands, Poland, Portugal, Spain, Sweden, and the United Kingdom.

  Under this plan, as was done in France in 2009 and in the United States in 2010, 50 free shares were allocated on December 1, 2011 to all employees who have at least six months of employment and who work more than 21 hours per week in a majority-owned subsidiary established in one of the countries included in the plan. Receipt of the shares is conditional on two years of employment for Spain and Italy, plus a lock-in period of three-years, and of four years for the other countries: the free shares were received by beneficiaries in December 2013 for Spain and Italy and will be received in December 2015 for the other countries, at which point they will become the beneficial owners thereof and may exercise their rights as shareholders.

- Long Term Incentive Plan "LTIP 2011" (April 2011)

  Under this plan, a certain number of Group managers were awarded free shares, subject to two conditions. Firstly, employment must continue throughout the four-year vesting period, except for tax residents of France who have a shorter three-year vesting period but an additional two-year lock-in period. Furthermore, the free shares are subject to additional performance criteria, such that the total number of shares received was dependent on the overall attainment of growth and profitability targets in 2011. Performance was measured in March 2012, with 95.7% of the targets for this plan being achieved. The shares were initially awarded in April 2011 and will vest in April 2015, except for French employees whose share awards vested in April 2014.

- Free share plan for employees of American entities (December 2010)

  Under this plan in the US, 50 free shares were awarded on December 1, 2010 to all employees working more than 21 hours per week in a majority-owned subsidiary in the USA. Receipt of the shares is conditional on four years of employment: the beneficiaries received the free shares in December 2014.

- Long Term Incentive Plan "LTIP 2010" (August 2010) and "LTIP 2010-2012" for members of the Management Board (September 2010)

  Under these plans, a certain number of Group managers were awarded free shares, subject to two conditions. Firstly, employment must continue throughout the four-year vesting period, except for tax residents of France who have a shorter three-year vesting period but an additional two-year lock-in period. Furthermore, the shares are subject to additional performance criteria, such that the total number of shares received was dependent on the overall attainment of growth and profitability targets in 2010 (or over the 2010-2012 period for members of the Management Board). Performance was measured in March 2011, with 100% of the targets being achieved for LTIP 2010 and 98.6% for LTIP 2010-2012 (Management Board). The shares were initially awarded in August (September for the Management Board) 2010 and vested in August (and September) 2014, except for French employees whose share awards vested in August (and September) 2013.

- Free share plan for certain employees of Razorfish (December 2009)

  At the time of the Razorfish acquisition, some of its employees benefited from Microsoft "Restricted Share Units" awarded between 2007 and 2009. On December 1, 2009 a new Publicis Groupe free share plan was implemented, subject to continued employment of the same beneficiaries, whereby the same number of shares was awarded after being converted into Publicis Groupe shares with the same vesting dates as the prior plans (which for most beneficiaries vested between January 2010 and September 2015). The number of free Microsoft shares in the process of vesting was converted into Publicis Groupe shares, using the existing ratio between the average Microsoft share price over the preceding 20 trading days over the Publicis Groupe share price on the acquisition date (October 13, 2009).

The stock option plans in force at December 31, 2014 had the following features:

- Stock option plan as part of a co-investment program (April 2013)

  Under this plan, offered to 200 members of Group management, each beneficiary is awarded one free share and 7.03 stock options for each Publicis share purchased on their behalf by LionLead, a specific structure dedicated to this operation. The stock options are subject to conditions: *i.e.* that the entire investment remains unsold and that employment continues throughout the four-year vesting period, except for tax residents of France who have a shorter three-year vesting period. These options, which were granted in April 2013, will become exercisable in April 2017, except for French employees for whom they will become exercisable in April 2016.

  The options are also subject to performance criteria, such that the number of options that can effectively be exercised will depend on the overall attainment of growth and profitability targets over the 2013-2015 period. On top of this, a market condition, designed to limit the theoretical gain calculated at the end of a three-year period at 50% of the exercise price of the option, will also lead to an adjustment in the number of exercisable options.

- 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 over 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, corresponding to 62.59% of the initial grant. For the first half of the options, the exercise period began in 2009, while the second half was exercisable as of April 2010. The options expire ten years after the date of grant.

- Plan awarded 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 over the 20 days preceding the date of grant. Options may be exercised after a period of four years and expire ten 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 confer entitlement to one share, the exercise price of which is the average cost of the treasury shares on the date of 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, corresponding to 98.92% of the initial grant. For the first half of the options, the exercise period began in 2006, while the second half began in 2007. The options expire ten years after the date of grant.

Share subscription or purchase options originated by Publicis Groupe

Characteristics of Publicis Groupe stock option plans outstanding at December 31, 2014

Plans	Type [1]	Date of grant	Exercise price of options (in euros)	Options outstanding on January 1, 2014 (or if later: the grant date)	Cancelled or lapsed options in 2014	Options exercised in 2014	Options outstanding on December 31, 2014	Of which exercisable at December 31, 2014	Expiration date	Remaining contract life (in years)
19th tranche LTIP 2003-2005	A	09/28/2004	24.82	236,905	0	(236,905)	0	0	09/28/2014	-
20th tranche LTIP 2003-2005	A	05/24/2005	24.76	71,077	0	(14,262)	56,815	56,815	05/24/2015	0.39
21st tranche	A	08/21/2006	29.27	100,000	0	(100,000)	0	0	08/21/2016	1.63
22nd tranche LTIP 2006-2008	A	08/21/2006	29.27	1,034,347	0	(435,146)	599,201	599,201	08/21/2016	1.63
23rd tranche LTIP 2006-2008	A	08/24/2007	31.31	238,610	(2,504)	(49,145)	186,961	186,961	08/24/2017	2.64
Co-investment 2013 – options	S	04/30/2013	52.76	5,778,302	(176,091)	0	5,602,211	0	04/30/2023	8.33
TOTAL OF ALL TRANCHES				**7,459,241**	**(178,595)**	**(835,458)**	**6,445,188**	**842,977**		

(1) A = stock options – S = share subscription options.

The award of the share purchase or subscription options under the above plans is conditional on continued employment throughout the vesting period. The award is also subject to non-market performance conditions for all plans, plus a market condition in the case of the 2013 co-investment plan.

Movements in Publicis Groupe stock option plans over the last three years

	2014		2013		2012	
	Number of options	Average exercise price (in euros)	Number of options	Average exercise price (in euros)	Number of options	Average exercise price (in euros)
Options at January 1	7,459,241	47.35	2,658,680	28.27	5,892,204	27.82
Options granted during the year	0	0	5,949,305	52.76	-	
Options exercised[1]	(835,458)	28.05	(864,119)	27.71	(2,837,244)	27.50
Cancelled or lapsed options	(178,595)	52.46	(284,625)	41.94	(396,280)	27.09
OPTIONS OUTSTANDING AT DECEMBER 31	**6,445,188**	**49.71**	**7,459,241**	**47.35**	**2,658,680**	**28.27**
Of which exercisable	842,977	29.42	1,680,939	28.74	2,658,680	28.27
(1) Average share price on exercise (in euros)		*60.23*		*56.19*		*40.57*

Fair value of options granted in the last three years

- Share subscription and stock options granted in 2014: None.
- Stock options granted in 2013:

Options	2013 co-investment plan[1]
Date of Management Board Meeting	04/30/2013
Number of shares granted during the year	5,949,305
Initial valuation of options granted (weighted average, in euros)	6.99
Assumptions:	
Share price on the grant date (in euros)	53.37
Exercise price of options (in euros)	52.76
Stock price volatility used for option valuation	20%
Lock-in period (in years)[2]	4
Average life[2]	7

(1) Options conditional on the achievement of targets under the 2013-2015 three-year plan. On top of this, a market condition limiting the theoretical gain calculated at the expiration of the three-year period at 50% of the exercise price of the option. Given this market condition, the Monte Carlo method was used to calculate fair value.
(2) For the French beneficiaries, the vesting period is three years and the average option life is 6.5 years.

- Share subscription and stock options granted in 2012: None.

Free share plans originated by Publicis Groupe

Characteristics of Publicis Groupe free share plans outstanding at December 31, 2014

Plans	Date of grant initial	Grants as of January 1, 2014 (or if later: date of grant)	Shares canceled, lapsed or transferred[1] in 2014	Shares vesting in 2014	Shares yet to vest at December 31, 2014	Vesting date of shares[2]	Remaining contract life (in years)
LTIP Plan 2010 – Outside France	08/19/2010	441,000	(45,250)	(395,750)	-	08/19/2014	-
LTIP Plan 2010-2012 (Management Board members Outside France)	09/22/2010	98,566	-	(98,566)	-	09/22/2014	-
50 free shares plan 2010 – United States	12/01/2010	303,150	(54,250)	(248,900)	-	12/01/2014	-
LTIP Plan 2011 – France	04/19/2011	75,565	(958)	(74,607)	-	04/19/2014	-
LTIP Plan 2011 – Outside France	04/19/2011	466,862	(39,125)		427,737	04/19/2015	0.30
50 free shares plan 2011 – 14 countries	12/01/2011	274,775	(67,175)	-	207,600	12/01/2015	0.92
LTIP Plan 2012 – France	04/17/2012	90,500	(700)		89,800	04/17/2015	0.29
LTIP Plan 2012 – Outside France	04/17/2012	535,274	(55,135)		480,139	04/17/2016	1.30
50 free shares plan 2013 – 26 countries	02/01/2013	250,425	(44,300)	-	206,125	02/01/2017	2.09
LTIP Plan 2013 – France	04/16/2013	81,975	(34,721)		47,254	04/16/2016	1.29
LTIP Plan 2013 – Outside France	04/16/2013	540,550	(248,029)		292,521	04/16/2017	2.29
LTIP Plan 2013-2015 (Management Board members France)	06/17/2013	70,000	(9,402)	-	60,598	06/17/2016	1.46
LTIP Plan 2013-2015 (Management Board members Outside France)	06/17/2013	35,000	(4,701)	-	30,299	06/17/2017	2.46
2013 co-investment plan – Free shares France	04/30/2013	133,335	(7,638)	-	125,697	04/30/2016	1.33
2013 co-investment plan – Free shares Outside France	04/30/2013	688,628	(17,411)	-	671,217	04/30/2017	2.33
LTIP Plan 2014 – France	03/20/2014	85,960	(1,720)	-	84,240	03/20/2017	2.22
LTIP Plan 2014 – Outside France	03/20/2014	553,790	(14,155)	-	539,635	03/20/2018	3.22
TOTAL OF FREE SHARE PLANS		**4,725,355**	**(644,670)**	**(817,823)**	**3,262,862**		

(1) These relate to any transfers between French and foreign plans due to the geographic mobility of beneficiaries.
(2) After this date, French beneficiaries must observe an additional two-year lock-in period.

The award of the free shares under the above plans is conditional on continued employment throughout the vesting period. Awards under the following plans are also subject to non-market performance conditions: the 2013 co-investment plan as regards the members of the Management Board and the LTIP 2010 to LTIP 2014.

Movements in Publicis Groupe free share plans over the last three years

	2014	2013	2012
Provisional grants at January 1	4,085,605	4,992,805	5,629,822
Provisional grants during the year	639,750	1,908,313	681,550
Grants vesting (deliveries)	(817,823)	(2,453,322)	(805,470)
Grants lapsed	(644,670)	(362,191)	(513,097)
PROVISIONAL GRANTS AT DECEMBER 31	**3,262,862**	**4,085,605**	**4,992,805**

Fair value of free Publicis Groupe shares granted in the last three years

FREE SHARES GRANTED IN 2014

Free shares	LTIP 2014(1)
Date of Management Board Meeting	03/20/2014
Number of shares originally granted	639,750
Initial valuation of shares granted (weighted average, in euros)	59.84
Assumptions:	
Share price on the grant date (in euros)	64.10
Lock-in period (in years)(2)	4

(1) Conditional shares whose vesting is subject to the achievement of targets set for 2014.
(2) For the French, the vesting period is three years, followed by a two-year lock-in period.

FREE SHARES GRANTED IN 2013

Free shares	2013 plan – employees worldwide – 26 countries(1)	LTIP 2013 (2)	2013 co-investment plan(3)	LTIP 2013-2015(3)
Date of Management Board Meeting	02/01/2013	04/16/2013	04/30/2013	06/17/2013
Number of shares originally granted	320,475	636,550	846,288	105,000
Initial valuation of shares granted (weighted average, in euros)(4)	44.05	47.17	48.59	51.26
Assumptions:				
Share price on the grant date (in euros)	48.49	51.43	53.37	54.80
Lock-in period (in years)(5)	4	4	4	4

(1) The countries concerned are: Australia, Austria, Bulgaria, Colombia, Costa Rica, Czech Republic, Greece, Guatemala, Hong Kong, Hungary, Israel, Lebanon, Malaysia, Mauritius, New Zealand, Panama, Puerto Rico, Romania, Serbia, Singapore, South Korea, Switzerland, Taiwan, Thailand, Turkey and the United Arab Emirates.
(2) Conditional shares whose vesting is subject to the achievement of targets set for 2013.
(3) Share awards to members of the Management Board are conditional on the achievement of targets under the 2013-2015 three-year plan.
(4) In the case of the co-investment plan, the reference price used for the purposes of calculating the fair value is the average price from April 22 to 29, 2013, namely the period in which the share purchases were made under the co-investment plan and which made possible the determination of the number of free shares and options awarded.
(5) For the French, the vesting period is three years, followed by a two-year lock-in period.

All of the aforementioned free share grants are conditional on continued employment during the vesting period.

FREE SHARES GRANTED IN 2012

Free shares	LTIP 2012
Date of Management Board Meeting	04/17/2012
Number of shares originally granted	681,550
Initial valuation of shares granted (weighted average, in euros)	37.66
Assumptions:	
Share price on the grant date (in euros)	40.69
Lock-in period (in years)[1]	4

(1) For the French, the vesting period is three years, followed by a two-year lock-in period.

It should be noted that for these plans, the only adjustment made in the fair value of the free shares was to account for lost dividends during the vesting period; no discount was applied for the lock-in period since the effect was considered to be negligible.

Share subscription plans originated by Digitas

On the acquisition of Digitas these plans were converted into the Publicis Groupe stock option plans, applying the ratio existing between the acquisition price of our public offering for Digitas (translated into euros) and to the Publicis Groupe share price at the completion date of the merger. The subscription price was correspondingly adjusted.

Characteristics of the Digitas stock option plans outstanding at December 31, 2014

Shares with a euro 0.40 par value	Date of grant		Exercise price of options (in euros)		Number of options outstanding at December 31, 2014	Of which exercisable at December 31, 2014	Expiry date		Remaining contract life (in years)
	min	max	min	max			min	max	
Digitas Plans									
2001	03/01/2001	01/24/2007	5.08	35.42	53,554	53,554	03/01/2011	01/24/2017	1.13
2005 UK	06/01/2005	12/01/2006	21.70	35.42	5,055	5,055	06/01/2015	12/01/2016	1.50
TOTAL OF TRANCHES					**58,609**	**58,609**			

Movements in Digitas stock option plans for the last three years

	2014		2013		2012	
	Number of options	Average exercise price (in euros)	Number of options	Average exercise price (in euros)	Number of options	Average exercise price (in euros)
Options at January 1	91,020	27.59	188,408	27.20	326,685	25.27
Options exercised [1]	(12,346)	14.02	(76,433)	36.23	(42,106)	18.53
Cancelled or lapsed options	(20,065)	25.70	(20,955)	23.16	(96,171)	24.45
OPTIONS OUTSTANDING AT DECEMBER 31	**58,609**	**28.67**	**91,020**	**27.59**	**188,408**	**27.20**
Of which exercisable	58,609	28.67	91,020	27.59		27.20
(1) Average option exercise price (in euros).		*60.23*		*56.19*		*40.57*

Publicis Groupe free share plans granted to certain Razorfish employees

The new Publicis Groupe free share plan, established 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 in the Publicis Groupe. For the majority of shares the vesting period runs for four years (2010-2013), with a smaller portion running until 2018. At December 31, 2014, the number of free shares yet to be vested was 69.

Effect of share subscription or stock option plans and free share plans on profit (loss)

The total impact of these plans on the 2014 income statement was euro 35 million (excluding taxes and social security charges), compared to euro 40 million in 2013 and euro 26 million in 2012 (see Note 3. "Personnel expenses").

With regard to the free share plans granted subject to performance conditions, the rights of which were still to be vested as of December 31, 2014, the probability of the targets for 2014 being met has been estimated as follows:

- LTIP 2014 plan: 50%;
- LTIP 2013-2015 plan (Management Board): 69.9%;
- 2013 co-investment plan: 50%.

Note 29 Related party disclosures

Related-party transactions

The following related-party transactions occurred:

	Receivables/Loans		
(in millions of euros)	2014	2013	2012
Somupi	3	3	6

Terms and conditions of related-party transactions

- On February 17, 2012, Publicis purchased 18 million of its own shares offered for sale by Dentsu. This transaction, along with the simultaneous cancellation of 10.8 million shares, was authorized by the Supervisory Board (the interested parties having abstained from voting), pursuant to the provisions of Articles L. 225-86 *et seq.* of the French Commercial Code. So that this project could be carried out, Ms. Badinter waived her rights under the shareholders' agreement entered into with Dentsu following its acquisition of a stake in the share capital of Publicis Groupe SA in 2002. The transaction brings this agreement to a close, together with the resulting concert party and the SEP Dentsu-Badinter, which has been dissolved. It also results in the termination of the shareholder agreement entered into by Dentsu and Publicis Groupe in 2003.
- The other related-party transactions are immaterial and carried out based on prevalent market terms and conditions, similar to those that would be offered to third parties.

Compensation of managers

Managers cover individuals who were members of the Supervisory Board or Management Board, at the reporting date or during the year ended.

(in millions of euros)	2014	2013	2012
Total gross compensation(1)	(9)	(10)	(27)
Post-employment benefits(2)	-	1	-
Other long-term benefits(3)	1	1	19
Share-based payments(4)	(2)	(3)	(3)

(1) Compensation, bonuses, indemnities, directors' fees and benefits in kind paid during the year.
(2) Change in pension provisions (net impact on income statement).
(3) Increase/release of provisions for deferred compensation and contingent bonuses. The 2012 reversal of the provision was due to the payment of the deferred bonus to the Chairman of the Management Board and the corresponding social security expenses.
(4) Expense recognized in the income statement under the Publicis Groupe stock option and free share plans.

In addition, the accounting provision as at December 31, 2014 for post-employment and other long-term benefits for senior management amounts to euro 8 million (this number was euro 9 million on December 31, 2013 and euro 11 million on December 31, 2012).

Note 30 Events after the reporting period

Acquisition of Sapient Corporation

On January 23, 2015, the Group announced an extension to the public tender offer for the acquisition of Sapient to February 5, 2015, allowing additional time to complete certain US government procedures. Full regulatory clearance was obtained on February 4, 2015, allowing the offer to be completed on February 6, 2015.

In addition, on January 20, 2015, the Group refinanced its US dollar 1,890 million syndicated credit facility maturing in January 2016 and designed to fund the acquisition of Sapient, with a US dollar 1,600 million medium-term syndicated loan maturing in 2018, 2019 and 2020.

Note 31 Fees of the statutory auditors and members of their networks

The fees paid by Publicis Groupe SA during 2014 and 2013 to all of the Group's statutory auditors were as follows:

	Ernst & Young				Mazars				Total			
	Total (excl. VAT)		%		Total (excl. VAT)		%		Total (excl. VAT)		%	
(in millions of euros)	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Audit												
Statutory audit, audit opinion, review of individual and consolidated financial statements												
Publicis Groupe SA (parent company)	0.7	0.7	9%	9%	0.4	0.3	9%	7%	1.1	1.0	9%	8%
Subsidiaries	3.9	4.0	49%	52%	3.1	3.0	71%	68%	7.0	7.0	57%	58%
Planned merger	1.1	1.0	14%	13%	0.7	1.0	16%	23%	1.8	2.0	15%	16%
SUBTOTAL	**5.7**	**5.7**	**72%**	**74%**	**4.2**	**4.3**	**96%**	**98%**	**9.9**	**10.0**	**81%**	**82%**
Other work and services directly related to the audit mission												
Publicis Groupe SA (parent company)	-	-	-	-	-	-	-	-	-	-	-	-
Subsidiaries	2.0	1.9	25%	25%	0.1	0.1	2%	2%	2.1	2.0	17%	17%
SUBTOTAL	**2.0**	**1.9**	**25%**	**25%**	**0.1**	**0.1**	**2%**	**2%**	**2.1**	**2.0**	**17%**	**17%**
Other services												
Tax	0.2	0.1	3%	1%	0.1	-	2%	-	0.3	0.1	2%	1%
TOTAL	**7.9**	**7.7**	**100%**	**100%**	**4.4**	**4.4**	**100%**	**100%**	**12.3**	**12.1**	**100%**	**100%**

Note 32 List of main consolidated companies on December 31, 2014

A) Fully consolidated companies

The companies listed below are our operating companies with revenue of at least euro 10 million.

Name	Voting rights	Shareholding	Country
MediaVision et Jean Mineur SA	66.63%	66.63%	France
Metrobus Publicité SA	67.00%	67.00%	France
Mediagare SNC	100.00%	67.00%	France
Drugstore Champs-Élysées SNC	100.00%	100.00%	France
Marcel SAS	100.00%	99.98%	France
Publicis K1 SAS(2)	100.00%	99.98%	France
Publicis Conseil SA	99.98%	99.98%	France
Publicis Consultants I France SARL	99.99%	99.99%	France
Publicis Activ France SA	99.96%	99.94%	France
Leo Burnett SAS	100.00%	100.00%	France
Publicis Dialog SAS	100.00%	99.98%	France
VivaKi Performance SA	100.00%	100.00%	France
VivaKi Communication SA	100.00%	100.00%	France
World Advertising Movies (SAS)	100.00%	100.00%	France
ETO SAS(2)	100.00%	84.16%	France
SCAP SARL	100.00%	100.00%	France
PLBSA	100.00%	100.00%	France
LBi Germany AG	100.00%	100.00%	Germany
MetaDesign AG	100.00%	100.00%	Germany
CNC AG	100.00%	100.00%	Germany
Razorfish	100.00%	100.00%	Germany
Optimedia Gesellschaftfür Media-Services GmbH	100.00%	100.00%	Germany
Zenithmedia Dusseldorf GmbH	100.00%	93.69%	Germany
Saatchi & Saatchi GmbH	100.00%	100.00%	Germany
Leo Burnett GmbH	100.00%	100.00%	Germany
Publicis Hamburg PWW GmbH	100.00%	93.69%	Germany
VivaKi GmbH	100.00%	100.00%	Germany
Pixelpark AG	93.69%	93.69%	Germany
Abdulkader Suleiman El Khereiji & Brothers Advertising Company	100.00%	100.00%	Saudi Arabia
MMS Comunicaciones Argentina SA(2)	100.00%	100.00%	Argentina
ZenithOptimedia Australia Pty Ltd	100.00%	100.00%	Australia
Publicis Mojo Pty Ltd	100.00%	100.00%	Australia
Publicis Loyalty Pty Ltd	100.00%	100.00%	Australia
Saatchi & Saatchi Communications Australia Pty Ltd	100.00%	100.00%	Australia
Leo Burnett (VIC) Pty Ltd(2)	100.00%	100.00%	Australia
Leo Burnett Pty Ltd	100.00%	100.00%	Australia
Starcom MediaVest Group Pty Ltd	100.00%	100.00%	Australia
Taterka Comunicações SA	100.00%	100.00%	Brazil
Neogama BBH Publicidade Ltda	100.00%	100.00%	Brazil
DPZ Duailibi Petit Zaragoza Propaganda	70.00%	70.00%	Brazil
Publicis Brasil Comunicaçao Ltda	100.00%	100.00%	Brazil
Leo Burnett Publicidade Ltda	99.99%	99.99%	Brazil
Finance Nazca Saatchi & Saatchi Publicidade Ltda	59.00%	59.00%	Brazil
Talent Comunicacao e Planejamento SA	100.00%	100.00%	Brazil

Name	Voting rights	Shareholding	Country
ZenithOptimedia Canada Inc.	100.00%	100.00%	Canada
G/B2 Inc.	100.00%	100.00%	Canada
Leo Burnett Company Ltd	100.00%	100.00%	Canada
TMG MacManus Canada Inc.	100.00%	100.00%	Canada
Publicis Canada Inc.	100.00%	100.00%	Canada
Saatchi & Saatchi Advertising Inc.(2)	100.00%	100.00%	Canada
Nurun Inc.(2)	100.00%	100.00%	Canada
MMS Communications Chile SA	100.00%	100.00%	Chile
Shanghai Genedigi Brand Management Co. Ltd	100.00%	100.00%	China
Publicis Advertising Co. Ltd	100.00%	100.00%	China
Saatchi & Saatchi Great Wall Advertising Co. Ltd	100.00%	100.00%	China
Leo Burnett Shanghai Advertising Co. Ltd	100.00%	100.00%	China
Leo Burnett Ltd	100.00%	100.00%	China
Denuo Ltd	100.00%	100.00%	China
Saatchi & Saatchi Services (HK) Ltd	100.00%	100.00%	China
MMS Comunicaciones Colombia SAS(1)	99.99%	99.99%	Colombia
Publicis Groupe Media SA	97.44%	97.44%	Colombia
Leo Burnett Korea Inc.	100.00%	100.00%	Korea
Lion RE:SOURCES SA(2)	100.00%	100.00%	Costa Rica
Leo Burnett	100.00%	100.00%	UAE
Publicis Middle East FZ-LLC(2)	100.00%	100.00%	UAE
Starcom MediaVest Group	100.00%	100.00%	UAE
Optimedia SL	100.00%	100.00%	Spain
Starcom MediaVest Group Iberia SL	100.00%	100.00%	Spain
Publicis Comunicacion Espana LC	100.00%	100.00%	Spain
Zenith Media SL	100.00%	100.00%	Spain
Rokkan Media LLC	100.00%	100.00%	United States
MRY US LLC	100.00%	100.00%	United States
Engauge Marketing LLC	100.00%	100.00%	United States
A/R Media Inc.	100.00%	100.00%	United States
Qorvis MSL LLC(2)	100.00%	100.00%	United States
Publicis Hawkeye, Inc.(2)	100.00%	100.00%	United States
Apex Exchange, LLC(2)	100.00%	100.00%	United States
Bartle Bogle Hegarty LLC	100.00%	100.00%	United States
Fallon Group Inc.	100.00%	100.00%	United States
Optimedia International US Inc.	100.00%	100.00%	United States
Martin Retail Group LLC	70.00%	70.00%	United States
Kekst and Company Inc.	100.00%	100.00%	United States
Publicis Inc. (DE)	100.00%	100.00%	United States
Leo Burnett Detroit Inc.	100.00%	100.00%	United States
SCAP USA LLC	100.00%	100.00%	United States
Medicus Group International Inc.	100.00%	100.00%	United States
Publicis Touchpoint Solutions Inc.	100.00%	100.00%	United States
Saatchi & Saatchi Healthcare Communications Inc.	100.00%	100.00%	United States
Manning Selvage & Lee Group Americas Inc.	100.00%	100.00%	United States
Publicis Inc. (NY)	100.00%	100.00%	United States
VivaKi Inc.	100.00%	100.00%	United States
VNC Communications Inc.	100.00%	100.00%	United States
Starcom MediaVest Group Inc.	100.00%	100.00%	United States
Saatchi & Saatchi North America Inc.	100.00%	100.00%	United States
Digitas Inc.	100.00%	100.00%	United States

Name	Voting rights	Shareholding	Country
Zenith Media Services Inc.	100.00%	100.00%	United States
Conill Advertising Inc.	100.00%	100.00%	United States
Saatchi & Saatchi X Inc.	100.00%	100.00%	United States
Razorfish LLC	100.00%	100.00%	United States
Leo Burnett Company Inc.	100.00%	100.00%	United States
SC USA Division	100.00%	100.00%	United States
Rosetta Marketing Group LLC	100.00%	100.00%	United States
Schwartz MSL LLC	100.00%	100.00%	United States
Drumbeat Digital, LLC(2)	100.00%	100.00%	United States
Level Sunset, LLC(2)	100.00%	100.00%	United States
TLG India Pvt Ltd	100.00%	100.00%	India
Baumann-Ber-Rivnay Ltd	100.00%	88.09%	Israel
ZenithOptimediaGroup Srl	100.00%	100.00%	Italia
Red Lion Communications Srl	100.00%	100.00%	Italia
Leo Burnett Company Srl	100.00%	100.00%	Italia
Saatchi & Saatchi Srl	100.00%	100.00%	Italia
Beacon Communications KK	66.00%	66.00%	Japan
MMS Communications KK	100.00%	100.00%	Japan
Star Reacher Advertising Sdn Bhd	100.00%	100.00%	Malaysia
Olabuenaga Chemistri SA de CV	100.00%	100.00%	Mexico
Leo Burnett Mexico SA de CV	100.00%	100.00%	Mexico
Lion Communications Mexico SA de CV	100.00%	100.00%	Mexico
Starcom Worldwide SA de CV	100.00%	100.00%	Mexico
SSW Holdings Ltd	100.00%	100.00%	New Zealand
LBi Netherlands BV	100.00%	99.41%	Netherlands
DMX Media BV(2)	100.00%	100.00%	Netherlands
NME Media BV	100.00%	100.00%	Netherlands
Starcom Sp. Z.o.o	100.00%	100.00%	Poland
Walker Media Limited(2)	75.10%	75.10%	United Kingdom
DigitasLBi Limited(1)	100.00%	100.00%	United Kingdom
Sceneric Ltd	100.00%	100.00%	United Kingdom
The Outside Line Limited(2)	100.00%	100.00%	United Kingdom
MSLGROUP London Limited(2)	100.00%	100.00%	United Kingdom
Razorfish UK Ltd	100.00%	100.00%	United Kingdom
Fallon London Ltd	100.00%	100.00%	United Kingdom
Publicis Ltd	100.00%	100.00%	United Kingdom
Saatchi & Saatchi Group Ltd	100.00%	100.00%	United Kingdom
Zenith Optimedia Services Ltd	100.00%	100.00%	United Kingdom
Leo Burnett Ltd	100.00%	100.00%	United Kingdom
PGM Media Services Ltd	100.00%	100.00%	United Kingdom
Arc Integrated Marketing Ltd	100.00%	100.00%	United Kingdom
Publicis Healthcare Communications Group Ltd	100.00%	100.00%	United Kingdom
Zenith Optimedia International Ltd	100.00%	100.00%	United Kingdom
BBH Partners LLP	100.00%	100.00%	United Kingdom
Leo Burnett LLC	100.00%	100.00%	Russia
Publicis Groupe Media Eurasia LLC	100.00%	100.00%	Russia
MMS Communications Singapore Pte Ltd	100.00%	100.00%	Singapore
LBi Sverige AB	100.00%	100.00%	Sweden
JKL AB	100.00%	100.00%	Sweden
VivaKi Sweden AB	100.00%	100.00%	Sweden

Name	Voting rights	Shareholding	Country
Leo Burnett SA Switzerland	100.00%	100.00%	Switzerland
Zenith Optimedia AG	100.00%	100.00%	Switzerland
Leo Burnett Schweiz AG	100.00%	100.00%	Switzerland
Publicis Communications Schweiz AG	100.00%	100.00%	Switzerland
Star Reachers Group Company Ltd	100.00%	100.00%	Thailand

(1) Change in corporate name.
(2) Companies on the 2014 list but not on the 2013 list.

B) Associates

Name	Voting rights	Shareholding	Country
Burrell Communications Group	49.00%	49.00%	United States
Jana	23.53%	23.53%	United States
Dentsu Razorfish	19.35%	19.35%	Japan
Somupi	34.00%	34.00%	France
Arcade (Private) Ltd	25.00%	25.00%	Singapore

4.7 Statutory auditors' report on the consolidated financial statements

Year ended December 31, 2014

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meetings, we hereby report to you, for the year ended December 31, 2014, on:

- the audit of the accompanying consolidated financial statements of Publicis Groupe;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Management Board. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. 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 involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the group as at December 31, 2014 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II. JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L. 823-9 of the French commercial code *(Code de commerce)* relating to the justification of our assessments, we bring to your attention the following matters:

Note 1.3 "Accounting policies" to the consolidated financial statements describes the accounting policies and methods with respect to revenue recognition.

As part of our assessment of the accounting policies and principles applied by your group, we assessed the appropriateness of the accounting method used for revenue recognition and we assured ourselves of the correct application of this accounting method.

Your group carries out impairment tests with regard to the value of intangible assets, goodwill and property, plant and equipment in accordance with the methods described in Note 1.3 "Accounting principles" and Note 5 "Depreciation, amortization and impairment" 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 your group and independent experts.

As exposed in Note 1.3 "Accounting principles" and in Note 22 "Borrowings and other financial liabilities" to the consolidated financial statements, your group recognizes in financial liabilities all commitments related to the acquisition of companies whether they concern commitments to buy-out non-controlling interests or earn-out, based on contractual clauses and the fair value of these commitments, according to the latest available data and projections over the future concerned periods. We reviewed the accounting principles used as well as the evaluation and underlying assumptions.

Your group has established provisions as described in Note 20 "Provisions for liabilities and charges" and in Note 21 "Pensions and other post-employment benefits" to the consolidated financial statements. These notes describe the methods of calculation and measurement 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 related to the procedures followed by management in valuing these provisions and on the review of independent valuations performed by experts.

Your group has determined the fair value of options granted in the context of Publicis Groupe stock option plans, as described in Note 28 "Publicis Groupe S.A. stock option and free share plans" to the consolidated financial statements. Our work consisted in reviewing the data used and in assessing the assumptions made by your group and the independent expert.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. SPECIFIC VERIFICATION

As required by law we have also verified, in accordance with professional standards applicable in France, the information presented in the group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Paris-La Défense, February 12, 2015

The statutory auditors

French original signed by

MAZARS		ERNST & YOUNG et Autres	
Loïc Wallaert	**Anne-Laure Rousselou**	**Vincent de La Bachelerie**	**Christine Staub**

5

2014 PARENT COMPANY FINANCIAL STATEMENTS

5.1 Income statement

(in thousands of euros)	Note	2014	2013	2012
Billings (goods and services)	3	52,838	18,751	14,599
Reversal of provisions and expense transfers	4	29,011	9,252	12,479
Other income		41	2	7
TOTAL OPERATING INCOME		**81,890**	**28,005**	**27,085**
Other purchases and external charges		(43,021)	(12,859)	(11,912)
Taxes other than income taxes		(2,316)	(1,654)	(1,196)
Personnel expenses	5	(39,212)	(14,838)	(17,351)
Amortization and increases in provisions		(3,187)	(4,020)	(9,544)
Other expenses		(1,326)	(1,378)	(1,087)
TOTAL OPERATING EXPENSES		**(89,062)**	**(34,749)**	**(41,090)**
NET OPERATING INCOME (EXPENSE)		**(7,172)**	**(6,744)**	**(14,005)**
Investment income		110,040	696,277	108,212
Interest and other financial income		8,864	50,103	10,304
Reversal of financial provisions		11,895	57,553	57,673
TOTAL FINANCIAL INCOME		**130,799**	**803,933**	**176,189**
Amortization and increases in provisions		(35,343)	(104,467)	(62,554)
Interest and other financial expenses		(123,271)	(173,792)	(100,017)
TOTAL FINANCIAL EXPENSES		**(158,614)**	**(278,259)**	**(162,571)**
Share in net income of partnerships		0	0	1,262
NET FINANCIAL INCOME (EXPENSE)	**6**	**(27,815)**	**525,674**	**14,880**
Net income (loss) before exceptional items and taxes		**(34,987)**	**518,930**	**875**
Exceptional income on capital transactions		0	260,370	0
TOTAL EXCEPTIONAL INCOME		**0**	**260,370**	**0**
Exceptional expenses on operational transactions		0	(90)	(14)
Exceptional expenses on capital transactions		0	(254,247)	0
TOTAL EXCEPTIONAL EXPENSES		**0**	**(254,337)**	**(14)**
EXCEPTIONAL ITEMS	**7**	**0**	**6,033**	**(14)**
Income taxes	**8**	**31,980**	**26,996**	**36,622**
NET INCOME FOR THE PERIOD		**(3,007)**	**551,959**	**37,483**

5.2 Balance sheet at December 31, 2014

(in thousands of euros)	Note	December 31, 2014	December 31, 2013	December 31, 2012
ASSETS				
Intangible assets	9.1			
Concessions and business goodwill		2,991	2,991	2,991
Other intangible assets		507	0	0
Assets in progress		0	37,467	0
Depreciation		(848)	(640)	(600)
Tangible assets	9.2			
Land		2,291	2,291	2,291
Buildings		3,044	3,044	3,044
Machinery and equipment		1,133	1,133	1,133
Other		30,591	27,704	23,021
Depreciation		(16,638)	(14,495)	(12,128)
Investments and other financial assets				
Investments	9.3	5,190,895	5,190,271	5,190,603
Impairment provisions on investments	9.3	(123,974)	(95,540)	(6,856)
Loans and receivables owed by associates and non-consolidated companies	9.4	2,889,366	1,526,317	1,141,456
Other non-current securities	9.5	83,063	107,151	182,196
Loans and other financial assets		282	308	486
Provisions on investments and other financial assets		(31)	(32)	(32)
NON-CURRENT ASSETS		**8,062,672**	**6,787,970**	**6,527,605**
Trade receivables		34,983	2,319	4,233
Other receivables		12,674	11,804	25,907
Marketable securities	10	252,641	282,754	192,661
Cash and cash equivalents		1,182	14	15
CURRENT ASSETS		**301,480**	**296,891**	**222,816**
Prepayments		451	228	262
Deferred expenses	11	9,232	2,975	5,180
Bond redemption premiums	12	8,314	2,235	12,292
Unrealized foreign exchange gains (losses)	13	35	27	47,519
TOTAL ASSETS		**8,382,184**	**7,090,326**	**6,815,674**

Balance sheet at December 31, 2014

(in thousands of euros)	Note	December 31, 2014	December 31, 2013	December 31, 2012
EQUITY AND LIABILITIES				
Share capital		88,482	86,409	84,003
Statutory reserve		3,283,190	3,097,766	2,897,642
Retained earnings		8,641	8,400	8,095
Earnings brought forward		1,158,886	836,999	978,117
EQUITY BEFORE NET INCOME FOR THE PERIOD		**4,539,199**	**4,029,574**	**3,967,857**
Net income for the period		(3,007)	551,959	37,483
EQUITY	**15**	**4,536,192**	**4,581,533**	**4,005,340**
Proceeds from issuance of participating securities (Orane)		381,159	428,804	476,449
Other equity	16	**381,159**	**428,804**	**476,449**
Provisions for liabilities and charges	17	**42,853**	**33,700**	**133,391**
Bonds	18	1,562,679	290,880	393,298
Bank borrowings and overdrafts		0	6	10
Borrowings and other financial liabilities	19	1,795,356	1,699,702	1,770,371
Trade payables		11,247	38,078	10,201
Income tax and social security liabilities		21,967	17,270	26,279
Other creditors		242	271	268
Deferred income	21	4,140	0	0
LIABILITIES	20	**3,395,631**	**2,046,207**	**2,200,427**
Unrealized foreign exchange gains	22	26,349	80	67
TOTAL EQUITY AND LIABILITIES		**8,382,184**	**7,090,326**	**6,815,674**

5.3 Statement of cash flows

(in thousands of euros)	2014	2013	2012
Cash flows from operating activities			
Net income for the period	**(3,007)**	**551,959**	**37,483**
(Gains) losses on disposals	6,377	53,221	15,799
Increases in provisions (net of reversals)	39,919	(8,598)	(41,254)
Transfer of asset merger costs to expenses	37,467	0	0
Transfer to deferred expenses, net of amortization	0	2,205	2,565
Amortization of redemption premiums on the Océane and Eurobond	1,495	1,694	2,497
Gross operating cash flow	***82,251***	***600,481***	***17,090***
Change in working capital requirements	(43,590)	(18,525)	(25,874)
NET CASH FLOWS GENERATED BY (USED IN) OPERATING ACTIVITIES (I)	38,661	581,956	(8,784)
Cash flows from investing activities			
Purchases of property, plant and equipment and intangible assets	(551)	(39,188)	(1,936)
Disposals of property, plant and equipment and intangible assets	(624)	(45)	0
Disposals of subsidiaries	0	6,500	0
NET CASH FLOWS GENERATED BY (USED IN) INVESTING ACTIVITIES (II)	(1,175)	(32,733)	(1,936)
Cash flows from financing activities			
Dividends paid to holders of the parent company	(110,548)	(107,518)	(119,452)
Capital increase	22,823	81,698	0
Redemption of bonds and related interest	(28,201)	(13,889)	(528,122)
New bonds	1,291,642	0	0
Unwinding of interest rate swap	0	19,770	0
Increases in other borrowings/(loans)	(1,267,395)	0	677,698
Decreases in loans/(other borrowings)	0	(314,192)	510,013
Buyback of treasury shares	0	(181,797)	(644,400)
Sale of treasury shares	25,254	56,801	81,773
NET CASH FLOWS GENERATED BY (USED IN) FINANCING ACTIVITIES (III)	(66,425)	(459,127)	(22,490)
CHANGE IN CASH AND CASH EQUIVALENTS (I + II + III)	**(28,939)**	**90,096**	**(33,210)**
Net cash and cash equivalents at beginning of the year	282,762	192,666	225,876
Net cash and cash equivalents at end of the year	253,823	282,762	192,666
CHANGE IN CASH AND CASH EQUIVALENTS	**(28,939)**	**90,096**	**(33,210)**

5.4 Notes to the financial statements of Publicis Groupe SA

DETAILED SUMMARY OF THE NOTES TO THE FINANCIAL STATEMENTS

The Company's primary 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 during the period

In 2014 the following significant events occurred:

- on November 3, 2014, the Group announced the signing of an agreement to acquire, via MMS USA Holdings, the US Sapient Group in a USD 3.7 billion cash deal. As the acquisition was financed by the parent company, Publicis Groupe SA initially signed an agreement for a USD 3.5 billion credit facility. This facility was reduced to USD 1.890 billion following the issue on December 16, 2014 of a euro-denominated bond (Eurobond) comprising two tranches for, respectively, euro 700 million, maturing in 2021, and euro 600 million, maturing in 2024. The two tranches were subject to cross currency interest rate swaps, for the euro 700 million tranche euro fixed rate for dollar fixed rate and for the euro 600 million tranche euro fixed rate for dollar variable rate;
- on May 9, 2014, Publicis Groupe SA and Omnicom Group Inc. jointly announced the cancellation of their planned merger of equals by mutual agreement in light of the difficulties faced implementing the deal within a reasonable timeframe. The two companies released each other from any liability and no indemnity was paid by either party. It should, however, be noted, that in preparing for the merger and in order to combine central functions, on January 1, 2014 the Group transferred 33 staff previously employed by Publicis Groupe Services and Publicis Finance Services to Publicis Groupe SA.

Note 2 Accounting policies, rules and methods

The parent company's financial statements for 2014 have been prepared in accordance with the French Chart of Accounts *(plan comptable général)* and in compliance with legal and regulatory texts applicable in France.

Comparability of financial statements

The measurement methods used to prepare the 2014 financial statements are identical to those used to prepare the financial statements 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 75 years (length of the concession), and the business goodwill of Publicis Cinema, which is already fully amortized.

Property, plant and equipment

Tangible assets are recognized at net acquisition cost and are subject to annual depreciation calculated on a straight-line basis over the following periods:

- 50 years Building on avenue des Champs-Élysées, Paris, France;
- 10 to 20 years Fixtures and fitting;
- 10 years Machinery and equipment;
- 4 years Vehicles;
- 3 years IT equipment.

Investments and other financial assets

The gross amount of long-term equity investments is composed of the acquisition price of the securities excluding ancillary expenses. Foreign currency-denominated securities are recognized at their acquisition price translated into euros at the exchange rate applicable on the date of the transaction.

Impairment 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 net asset value, capitalized earnings or market capitalization, associated where necessary with more subjective criteria, such as specific industry indicators or ratios determined, in the context of economic 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 shares, which are classified according to their intended purpose.

A provision for liabilities is recognized for treasury shares allocated to stock option or free share plans in order to reflect the loss resulting from the difference between the subscription price (zero for the free shares) and their cost price.

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 at the reporting date is lower than their carrying amount. The current value of publicly traded securities equals the average quoted price for the final month of the financial year; 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 liability is increased by the total amount of such a premium. This premium is offset by the recognition of an asset, which is amortized over the life of the bond on an actuarial basis.

In cases where an issue premium exists, the liability is recognized at par value and the issue premium is recognized as an asset; the issue premium being amortized over the life of the bond.

Orane (*i.e.* bonds redeemable in new or existing shares) are recognized in other equity because of their intrinsic characteristics.

Provisions for liabilities and charges

Provisions are funded when:

- the Group has a present obligation (legal or constructive) resulting from a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- the amount of the outflow can be estimated reliably.

Where the effect of the time value of money is material, provisions are discounted, with the increase in the amount of the provision resulting from the unwinding of the discounting being recognized under financial expenses.

Contingent liabilities are not recognized but, where material, are disclosed in the Notes to the financial statements.

Net financial income (expense)

Financial income is recognized by applying the usual rules, *i.e.*:

- dividends: on the date the distribution is approved by the General Shareholders' Meeting;
- financial income on current accounts, time deposits and bonds: as benefits are acquired;
- interest and dividends on marketable securities: on the date of receipt.

Financial expenses relating to the Eurobond 2015 as well as the Eurobonds 2021 and 2024 are presented, where applicable, net of the interest income from the interest rate swaps.

It should, moreover, be noted that the swaps connected with the two aforementioned bonds were treated as hedges of a loan and of a current account in dollars recognized as assets.

The "Share in net income of partnerships" recognized in the 2013 and 2012 income statements represents the Company's proportional share (49%) in the results of Régie 1, in accordance with the provisions of that entity's bylaws. This company was sold in 2013.

Exceptional items

These include capital gains and losses on the sale of tangible, intangible and financial assets and in particular capital losses corresponding to the buyback price of warrants and capital gains and losses arising from the early repayment of borrowings.

Note 3 Billings

Billings are mainly composed of:

- rent received from the building at 133, Avenue des Champs-Élysées in Paris, France;
- services invoiced to Group companies.

Note 4 Reversal of provisions and expense transfers

Expense transfers primarily include re-invoicing of Group companies with respect to Publicis Groupe free share grants to certain key Group executives as part of the co-investment programs granted in 2009 and 2013.

Note 5 Personnel expenses

2014 personnel expenses included, in addition to fixed and variable salary costs, social security expenses and other benefits paid to employees (mostly arising from the January 1, 2014 transfer detailed in the note on significant events during the period) and to the Chairman of the Management Board, the costs associated with the new co-investment plan granted to key Group executives in 2013. This cost, totaling euro 20,774,281 in 2014, represents the future loss on the free shares granted under this plan, staggered over the vesting period.

In 2013, the expense associated with the 2009 co-investment plan was euro 7,846,000, compared with income of euro 8,518,000 in 2012 (following the recalculation of costs from previous years).

Note 6 Net financial income (expenses)

(in thousands of euros)	2014	2013	2012
Dividends	67,943	644,603	52,563
Other income from investments	42,097	51,674	55,649
Investment income	**110,040**	**696,277**	**108,212**
Other financial income	8,174	44,375	8,607
Foreign exchange gains	690	5,728	1,697
Interest and other financial income	**8,864**	**50,103**	**10,304**
Reversal of provisions on investments	0	0	0
Reversal of provision for impairment of treasury shares	0	0	0
Reversal of provision for liabilities on treasury shares	11,864	9,958	4,301
Reversal of other financial provisions	31	47,595	53,372
Reversal of financial provisions	**11,895**	**57,553**	**57,673**
TOTAL FINANCIAL INCOME	**130,799**	**803,933**	**176,189**
Provision for liabilities on treasury shares	(5,379)	(11,864)	(9,958)
Bond-related amortization	(1,495)	(3,180)	(4,123)
Increases in provisions for foreign exchange losses	(35)	0	(47,410)
Increases in provisions for impairment of equity investments	(28,434)	(88,684)	0
Increases in other financial provisions	0	(739)	(1,063)
Amortization and increases in provisions	**(35,343)**	**(104,467)**	**(62,554)**
Bond-related expenses	(25,659)	(24,737)	(21,753)
Other financial expenses	(96,968)	(90,433)	(76,552)
Foreign exchange losses	(644)	(58,622)	(1,712)
Interest and other financial expenses	**(123,271)**	**(173,792)**	**(100,017)**
TOTAL FINANCIAL EXPENSES	**(158,614)**	**(278,259)**	**(162,571)**
Share in net income of partnerships	0	0	1,262
NET FINANCIAL INCOME (EXPENSE)	**(27,815)**	**525,674**	**14,880**

Note 7 Exceptional items

There were no exceptional items in 2014.

2013 exceptional items primarily included the capital gain realized on the sale of Régie 1 shares (representing a 49% stake in the share capital) for euro 6,126,500.

Exceptional items were not material in 2012.

Note 8 Income taxes

In 2014, the Company, which is the parent company of the French tax group (which includes 35 subsidiaries), recognized a tax loss of euro 52,504,699 on a standalone basis.

In application of the rule limiting tax loss carryforwards, the gain on tax consolidation recognized in income in the financial statements of the French tax group's parent company – in accordance with the tax consolidation agreements signed by the member companies – fell by euro 12,454,104. The net gain on tax consolidation recognized stood at euro 35,943,785 for 2014.

Tax loss carryforwards of the French tax group, which can be carried forward without any time limit, amounted to euro 43,474,512 at December 31, 2014.

Note 9 Non-current assets

9.1 Intangible assets

At December 31, 2014, this account totaled euro 3,498,498 before amortization and changed as follows from 2013:

- other intangible assets: increased by euro 507,908 following the transfer of financial reporting software as part of the restructuring of the central functions prior to the planned merger;
- assets in progress: fell by euro 37,467,147 following the recognition in expenses in the income statement, in light of the decision to abandon the planned merger of Publicis Groupe SA and Omnicom Group Inc., of merger costs capitalized at the previous reporting date.

At December 31, 2013, this account mainly included euro 37,467,147 in expenses relating to the planned merger, announced on July 27, 2013, recognized as intangible assets in progress pending reclassification as start-up costs once the merger was completed.

9.2 Property, plant and equipment

Publicis Groupe SA continued with the renovation of its registered office in 2014, adding investments in fixtures to the value of circa euro 1,398,226.

In 2013, euro 1,765,297 was invested in fixtures.

In 2012, euro 1,900,473 was invested in fixtures.

9.3 Investments

In 2014, a further provision for impairment totaling euro 28,434,000 was recognized for securities held in MMS France Holdings (gross value of euro 249,293,677), bringing the provision to euro 117,118,000.

In 2013, a euro 88,684,000 provision for impairment had been recognized for securities held in MMS France Holdings.

There was no increase or reversal in impairment provisions for securities in 2012.

9.4 Loans and receivables owed by associates and non-consolidated companies

(in thousands of euros)	December 31, 2014	December 31, 2013	December 31, 2012
Loan to MMS UK	0	0	259,344
Loans to MMS USA Holdings	804,917	708,614	806,902
Loan to MMS Ireland	715,798	0	0
MMS France Holdings current account	144,729	18,639	56,760
Publicis Finance Services current account	1,202,332	531,420	0
Receivable from Publicis Groupe Holding BV	0	253,870	0
Other receivables	7,958	6,460	6,107
Interest receivable	13,632	7,314	12,343
TOTAL	**2,889,366**	**1,526,317**	**1,141,456**

Following the issuance of the Eurobond in December 2014, and in anticipation of the acquisition of Sapient by MMS USA Holdings, Publicis Groupe SA used the funds received from the euro 700 million tranche, swapped for dollars, to give MMS Ireland a seven-year USD 869,050,000 loan. The funds from the second tranche (euro 600 million, also swapped for dollars) were temporarily debited from the current account with Publicis Finance Services for USD 741,270,000.

The loan to MMS UK Holdings was capitalized on December 31, 2013 for its value on that date in euros, *i.e.* euro 253,870,188. The corresponding shares were sold on the same day to Publicis Groupe Holding BV at their carrying amount.

9.5 Other non-current securities

In January 2014, 562,921 treasury shares were delivered in response to conversion requests by Océanes 2018 bondholders plus 109,924 shares for compensation offered to Orane 2022 bondholders.

In December 2013, 2,096,233 shares were delivered in response to conversion requests by Océanes 2018 bondholders.

In 2012, Publicis Groupe SA bought 18 million shares from Dentsu, 5,089,265 of which were set aside to cover acquisitions and were therefore recognized under other non-current securities.

	December 31, 2014	December 31, 2013	December 31, 2012
Treasury shares, in thousands of euros	83,063	107,151	182,196
Number of treasury shares	2,320,187	2,993,032	5,089,265

Note 10 Marketable securities

Marketable securities broke down as follows at December 31, 2014:

(in thousands of euros)	December 31, 2014	December 31, 2013	December 31, 2012
Excluding liquidity contract:			
• Treasury shares	236,018	266,528	177,543
Held under the liquidity contract:			
• Money mutual funds	15,310	13,794	14,212
• Treasury shares	1,313	2,433	906
TOTAL MARKETABLE SECURITIES (NET AMOUNT)	**252,641**	**282,754**	**192,661**

The movements for the financial year and position at the reporting date for marketable securities (excluding the liquidity contract) are summarized in the table below:

(in thousands of euros, except for share data)	Number of shares	Gross carrying amount	Provision for impairment	Net carrying amount
TREASURY SHARES HELD ON DECEMBER 31, 2013	**6,404,584**	**266,528**	**0**	**266,528**
Disposals (exercise of options) and delivery of free shares to employees	852,235	(30,510)	0	(30,510)
TREASURY SHARES (EXCLUDING THE LIQUIDITY CONTRACT) AT DECEMBER 31, 2014	**5,552,349**	**236,018**	**0**	**236,018**

The liquidity contract with Kepler Cheuvreux was maintained in 2014. At December 31, 2014, 22,830 shares were held under this contract.

Note 11 Deferred expenses

This line item includes costs associated with the bond issue and the arrangement of the syndicated credit lines, for the portion still to be amortized over the remaining period to maturity of the bonds and to expiry of the credit lines.

Deferred expenses at December 31, 2014 were composed of:

(in thousands of euros)	December 31, 2014	December 31, 2013	December 31, 2012
Océane 2018 issuance costs	0	22	860
Eurobond 2015 issuance costs	55	280	504
Eurobond 2021 issuance costs	2,470	0	0
Eurobond 2024 issuance costs	2,269	0	0
TOTAL BOND ISSUANCE COSTS	4,794	302	1,364
Capital loss on the Eurobond 2012, net of the payment received upon unwinding of the corresponding interest rate swap	54	274	494
Costs associated with the USD 75 million credit line arranged with JP Morgan	150	201	253
Costs of arranging the USD 1,890 billion credit facility	2,906	0	0
Costs of arranging the syndicated credit line	1,328	2,198	3,069
TOTAL	**9,232**	**2,975**	**5,180**

Note 12 Bond issue and repayment premiums

The amounts on this line item represent the amounts still to be amortized over the remaining period to maturity of the bonds in question.

At December 31, 2014, the issue premiums broke down as follows:

(in thousands of euros)	December 31, 2014	December 31, 2013	December 31, 2012
Octane 2018	0	2,235	12,292
Eurobond 2021	4,175	0	0
Eurobond 2024	4,139	0	0
TOTAL	**8,314**	**2,235**	**12,292**

Note 13 Unrealized foreign exchange gains (losses)

At December 31, 2014, unrealized foreign exchange gains and losses amounted to euro 35,000.

At December 31, 2013, there were no unrealized foreign exchange gains or losses at December 31, 2013.

At December 31, 2012, the unrealized foreign exchange losses related to the foreign exchange differences on the loan provided to MMS UK Holdings, totaling euro 47,410,387. This loan was capitalized at end-2013.

Note 14 Average headcount

The Company's average headcount was 38 employees.

Note 15 Equity

The Publicis Groupe share capital has changed as follows over the past five financial years:

		Changes in capital				
		Shares with a euro 0.40 par value				
Dates	Capital transactions	Number of shares	Par value (in thousands of euros)	Additional paid-in capital (in thousands of euros)	Capital amount (in thousands of euros)	Total number of Company shares
	SITUATION AT JANUARY 1, 2009				**79,033**	**197,583,112**
2010	Cancellation of shares following buyback from SEP Dentsu-Badinter	(7,500,000)	(3,000)	(214,500)	76,033	190,083,112
	Orane redemption (6th tranche)	1,562,129	625	47,020	76,658	191,645,241
2011	Issue of shares as part of the free share plan for Group employees in France (2009 Plan)	150,575	60	0	76,718	191,795,816
	Orane redemption (7th tranche)	1,562,129	625	47,020	77,343	193,357,945
2012	Cancellations	(10,759,813)	(4,304)	(380,897)	73,039	182,598,132
	Issue of shares following the conversion of 25,750,630 Océanes 2014	25,848,473	10,339	702,790	83,378	208,446,605
	Orane redemption (8th tranche)	1,562,129	625	47,020	84,003	210,008,734
2013	Issue of shares as part of the free share plans for Group employees	292,076	116	0	84,119	210,300,810
	Issue of shares following the distribution in shares of dividends based on 2012 earnings	1,361,502	545	70,117	84,664	211,662,312
	Orane redemption (9th tranche)	1,562,129	625	47,020	85,289	213,224,441
	Creation of shares as a result of the exercise of 2,757,571 warrants	2,798,937	1,120	82,987	86,409	216,023,378
2014	Creation of shares as a result of the exercise of 674,652 warrants	684,773	274	20,303	86,683	216,708,151
	Issue of shares as part of the free share plans for Group employees	815,623	326	0	87,009	217,523,774
	Issue of shares following the distribution in shares of dividends based on 2013 earnings	2,094,672	838	118,119	87,847	219,618,446
	Orane redemption (10th tranche)	1,585,411	635	47,003	88,482	221,203,857
	POSITION AT DECEMBER 31, 2014				**88,482**	**221,203,857**

Stockholder's equity changed as follows between January 1, 2014 and December 31, 2014:

(in thousands of euros)	January 1, 2014	Allocation of 2013 net income	Orane capital increase	Exercise of stock options and creation of shares	Distribution of dividends in shares	Distribution of dividends in cash	2014 net income	December 31, 2014
Share capital	86,409	-	634	600	838		-	88,481
Additional paid-in capital	3,097,766	-	47,003	20,303	118,119		-	3,283,191
Retained earnings	8,400	241					-	8,641
Earnings brought forward	836,999	551,718		(326)	(118,957)	(110,548)		1,158,886
SUBTOTAL	**4,029,574**	**551,959**	**47,637**	**20,577**	**-**	**(110,548)**	**-**	**4,539,199**
Net income for the period	551,959	(551,959)			-		(3,007)	(3,007)
TOTAL	**4,581,533**	**-**	**47,637**	**20,577**	**-**	**(110,548)**	**(3,007)**	**4,536,192**

Note 16 Other equity

Other equity consists of a 20-year bond redeemable in new or existing shares (Oranes) issued on September 24, 2002 as part of the Bcom3 Group acquisition.

The initial amount of the bond was euro 857,812,500. It was reduced to euro 428,804,410 following the redemption of the first nine tranches every September from 2005 to 2013. At December 31, 2014 there remained 1,562,129 Orane with a par value of euro 244. As the Orane conversion ratio was adjusted by a factor of 1.015 so as to reflect the portion of dividends paid in 2003 and 2004 deducted from the Company's reserves and premiums, each Orane entitled the holder to 8.12 new or existing Publicis Groupe shares (instead of eight shares) at a rate of 1.015 per year from September 1, 2015 to September 1, 2022, representing a total of 12,684,488 shares to be issued. In parallel, the unit value of each Orane is reduced by euro 30.5 per year on each of these dates.

Orane bear interest at a minimum rate of 0.82% of the par value. The coupon fixed for the period September 2010 to September 2013 represented annual interest of 3.24%.

Furthermore, pursuant to a decision by Orane bondholders, at the General Meeting on October 10, 2013, compensation was paid in early 2014 consisting of the additional shares and interest that Orane bondholders should have received every September 1 from 2009 to 2013 as a result of the revised conversion ratio (1.015 *versus* 1 previously). As a result, 109,924 shares were delivered and euro 865,656 in additional interest paid.

Note 17 Provisions for liabilities and charges

(in thousands of euros)	Amount at January 1, 2014	Increase in 2014	Reversal in 2014 (used provision)	Reversal in 2014 (unused provision)	Amount at December 31, 2014
Provision for taxes (1)	6,647	-	-	-	6,647
Provision for conditional long-term commitments to employees (2)	6,404	-	-	-	6,404
Provision for risks on treasury shares and free share grants that have still not vested (3)	11,864	26,153		(11,864)	26,153
Other provisions for risks	8,785	871		(6,007)	3,649
TOTAL	**33,700**	**27,024**		**(17,871)**	**42,853**

(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. It was partially reversed in 2008.

(2) This is the provision created (including social charges) for the non-compete agreement signed with the Chairman of the Management Board.

(3) This provision was funded, firstly, to cover the loss resulting from the difference between the subscription price and the cost price of the treasury shares when they were allocated to Group employee stock option plans, and, secondly, to cover the future loss on the free shares granted under the 2013 co-investment plan.

It should also be noted that provisions and provision reversals relating to costs borne by Publicis Groupe in relation to the co-investment plan are presented in the income statement under personnel expenses in accordance with Notice no. 2008-17 from the French National Accounting Council.

Note 18 Bonds

Number of securities (in thousands of euros)	Category of bond	December 31, 2014	December 31, 2013	December 31, 2012
82,431	Océane 2018 – 2.75% actuarial	-	21,894	102,749
-	Océane 2018 – redemption premium	-	7,578	35,541
253,242	Eurobond 2015 – 4.250%	253,242	253,242	253,242
7,000	Eurobond 2021 – 1.125%	700,000	-	-
6,000	Eurobond 2024 – 1.625%	600,000	-	-
	Total excluding accrued interest	1,553,242	282,714	391,532
	Accrued interest	9,437	8,166	1,766
	Balance sheet total	1,562,679	290,880	393,298

On December 16, 2014, Publicis Groupe SA, as part of the financing for the acquisition of Sapient scheduled for early 2015 via MMS USA Holdings, issued a euro 1.3 billion bond comprising two tranches:

Eurobond 2021 - 1.125%

This euro 700 million tranche has a maturity of seven years and a fixed rate of 1.125%. It is fully redeemable at par upon maturity on December 16, 2021.

Eurobond 2024 - 1.625%

This euro 600 million tranche has a maturity of ten years and a fixed rate of 1.625%. It is fully redeemable at par upon maturity on December 16, 2024.

The two tranches were subject to the following cross currency interest rate swaps:

- the first tranche of euro 700 million was swapped for a fixed-rate loan of USD 869 million (half at 2.921% and half at 2.918%);
- the second tranche of euro 600 million was swapped for a variable rate loan of USD 741 million (half at three-month Libor + 1.1365% and half at three-month Libor + 1.10%).

The other bonds are detailed below:

Eurobond 2015 - 4.25%

Following the public 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% euro-denominated bonds maturing in March 2015, the Publicis Groupe issued a new Eurobond maturing in 2015 for euro 253 million, consisting of 253,242 bonds. These new bonds will be fully redeemed at par when they mature on March 31, 2015.

This fixed rate bond was subject to an interest rate swap to convert it into a variable-rate bond. The swap was unwound on January 10, 2013, resulting in a euro 12 million payment, staggered for accounting purposes over the remaining period to maturity of the bond.

Océane - 2.75% actuarial January 2018

The bond, convertible into new or existing shares (Océane), was issued on January 18, 2002 for a total initial amount of euro 690 million (excluding premium). These bonds were partially redeemed in 2005, 2006, 2009, 2010 and 2013. The 559,278 bonds still outstanding at December 31, 2013 were fully converted or redeemed in January 2014.

Note 19 Borrowings and other financial liabilities

(in thousands of euros)	December 31, 2014	December 31, 2013	December 31, 2012
Long-term borrowings from Publicis Finance Services [(1)]	804,917	708,614	740,678
Long-term borrowings from Publicis Groupe Holdings [(2)]	-	300,000	300,000
Long-term borrowings from Publicis Groupe Investments [(2)]	-	630,000	630,000
Long-term borrowings from Zenith Media Ireland [(2)]	930,000	-	-
Current accounts, short-term borrowings from subsidiaries and accrued interest	59,878	54,909	95,437
Other creditors	561	6,179	4,256
TOTAL	**1,795,356**	**1,699,702**	**1,770,371**

(1) The USD 977,250,000 borrowed by Publicis Groupe from Publicis Finance Services, the Group subsidiary managing the international cash pool, with a due date of January 31, 2012, was rolled over for a period of ten years (new due date of January 31, 2022).

(2) The 55-year subordinated participating loans, for euro 300 million and euro 630 million respectively, originally granted by Publicis Groupe Holdings in 2007 and Publicis Groupe Investments in 2012, were transferred by the latter to Zenith Media Ireland on December 11, 2014.

Note 20 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	-1 year	1 to 5 yrs	+5 yrs
Bonds	1,562,679	262,679	-	1,300,000
Bank borrowings and overdrafts	-	-	-	-
Borrowings and other financial liabilities	1,795,356	59,878	-	1,735,478
Trade payables	11,247	11,247	-	-
Income tax and social security liabilities	21,967	21,967	-	-
Deferred income	4,140	36	2,070	2,034
Other creditors	241	-	241	-
TOTAL LIABILITIES	**3,395,630**	**355,807**	**2,311**	**3,037,512**

Note 21 Deferred income

At December 31, 2014, this line item only included the payment received when arranging the hedging swaps (see Note 1). This payment is staggered over the term of the hedging.

Note 22 Unrealized foreign exchange gains

The unrealized foreign exchange gains stemmed from the remeasurement of the following two assets:

- euro 15,797,710 on the USD 869,050,000 loan granted to MMS Ireland;
- euro 10,551,025 on the USD 741,270,000 current account with Publicis Finance Services.

Note 23 Disclosures concerning related parties and investments

	Amount concerning companies	
(in thousands of euros)	related parties	in which the Company has invested
Balance sheet		
Investments	5,066,921	
Loans and receivables owed by associates and non-consolidated companies	2,889,366	
Trade receivables	34,934	
Other receivables	7,274	
Borrowings and other financial liabilities	1,791,122	
Trade payables	1,778	
Tax liabilities	9,694	
Income statement		None
Billings (goods and services)	52,592	
Expense transfers	23,015	
Other purchases and external charges	(2,954)	
Investment income	67,943	
Interest and other financial income	42,093	
Share in net income of partnerships	0	
Increases in financial provisions	0	
Interest and other financial expenses	(85,375)	
Exceptional expenses	0	
Exceptional income	0	

Note 24 Off-balance-sheet commitments

Off-balance sheet commitments given

Commitments related to bonds and to Orane

ORANE – BONDS REDEEMABLE IN NEW OR EXISTING SHARES – SEPTEMBER 2022

- Following the redemption of the first ten tranches of the debt on September 1 of each year since 2005 and the adjustment of the redemption coefficient from 1 to 1.015 share per Orane, each Orane contractually entitles the holder to receive 8.12 new or existing Publicis Groupe shares at the rate of 1.015 per annum until the 20th anniversary of the debt. Therefore, Publicis Groupe has a commitment to deliver 1,585,561 shares each year from September 2015 to September 2022, *i.e.*, an aggregate of 12,684,488 that may be issued at Publicis Groupe's discretion in either new shares or existing shares already in its portfolio.

- A Meeting of Orane holders was held on October 10, 2013 to decide, subject to the approval of the merger by the shareholders of both the Publicis Groupe and the Omnicom Group, on the redemption in Publicis shares of the debt component of all outstanding Orane immediately following these Shareholders' Meetings.
- As a result of the cancellation of the planned merger, the early redemption provisions of the Orane are not applicable and they continue to be governed by the current terms of their contract of issuance. Notwithstanding, on September 16, 2014, Publicis Groupe announced that the early redemption of the Orane will be put to the Meeting of Orane holders and to the Shareholders' Meeting of Publicis Groupe in 2015.

EUROBOND 2021

When issued in December 2014, this new euro 700 million bond at a fixed rate of 1.125% was the subject of a cross currency interest rate swap transforming it from euro fixed rate to dollar fixed rate. Two contracts, each for euro 350 million, were agreed for 2.921% and 2.918%, respectively.

EUROBOND 2024

When issued in December 2014, this new euro 600 million bond at a fixed rate of 1.625% was the subject of a cross currency interest rate swap transforming it from euro fixed rate to dollar variable rate. Two contracts, each for euro 300 million, were agreed for three-month Libor + 1.1365% and three-month Libor + 1.10%, respectively.

Obligations related to warrants

The exercise of warrants, which could occur at any time from September 24, 2013 to September 24, 2022, will lead to an increase in the Publicis Groupe's capital stock. The conversion ratio was adjusted by a factor of 1.015 so as to reflect those distributions drawn from the Company's reserves and premiums. Following the cancellation of warrants, bought back in 2005, 2006 and 2013, and the exercise in 2014 of 674,652 warrants having resulted in the creation of 684,773 new shares, Publicis Groupe was, at December 31, 2014, committed to creating (in the event that the outstanding 2,170,476 warrants were exercised) 2,203,033 shares with a euro 0.40 par value and a euro 30.10 premium.

Publicis Groupe SA stock option and free share plans

The free share plans in force on December 31, 2014 have the following features:

- Long Term Incentive Plan "LTIP 2014" (March 2014)

Under this plan, a certain number of Group managers were awarded free shares, subject to two conditions. Firstly, employment must continue throughout the four-year vesting period, except for tax residents of France who have a shorter three-year vesting period but an additional two-year lock-in period. Furthermore, the free shares are subject to performance criteria, such that the total number of shares received will depend on the overall attainment of growth and profitability targets in 2014. The shares were initially awarded in March 2014 and will vest in March 2018, except for French employees whose share awards will vest in March 2017.

- Long Term Incentive Plan "LTIP 2013" (April 2013) and "LTIP 2013-2015" (June 2013) for members of the Management Board

Under these plans, a certain number of Group managers were awarded free shares, subject to two conditions. Firstly, employment must continue throughout the four-year vesting period, except for tax residents of France who have a shorter three-year vesting period but an additional two-year lock-in period. Furthermore, with respect to the LTIP 2013, the shares were subject to additional performance criteria, such that the total number of shares received was dependent on the overall attainment of growth and profitability targets in 2013. Performance was measured in March 2014, with 59.7% of the targets for the LTIP 2013 plan being achieved. The shares were initially awarded in April 2013 and will vest in April 2017, except for French employees whose share awards will vest in April 2016. For the LTIP 2013-2015 restricted to members of the Management Board, the targets will be measured following the 2015 reporting date. The shares were initially awarded in June 2013 and will vest in June 2017, except for French members of the Management Board whose share awards will vest in June 2016.

- Free shares granted as part of a co-investment program (April 2013)

Under this plan, offered to 200 members of Group management, each beneficiary is awarded one free share and 7.03 share subscription options for each Publicis share purchased on their behalf by LionLead, a specific structure dedicated to this operation. The free shares are subject to conditions: *i.e.*, that the entire investment remains unsold and that employment continues throughout the four-year vesting period, except for tax residents of France who have a shorter three-year vesting period but an additional two-year lock-in period. These shares were awarded in April 2013 and will vest in April 2017, except for French employees whose shares will vest in April 2016.

The free shares granted to corporate officers are subject to additional performance conditions, such that the number of shares that can effectively be received will depend on the growth and profitability targets attained over the 2013-2015 period.

- Free share plan for employees in the following 26 countries (February 2013): Australia, Austria, Bulgaria, Colombia, South Korea, Costa Rica, United Arab Emirates, Greece, Guatemala, Hong Kong, Hungary, Israel, Lebanon, Malaysia, Mauritius, New Zealand, Panama, Puerto Rico, Czech Republic, Romania, Serbia, Singapore, Switzerland, Taiwan, Thailand, and Turkey.

Under this plan, as was done in France in 2009, in the United States in 2010 and in 16 other countries in 2011, 50 free shares were allocated on February 1, 2013 to all employees who have at least six months of employment and who work more than 21 hours per week in a majority-owned subsidiary established in one of the countries included in the plan. Receipt of the shares is conditional on four years of employment: the free shares will be issued to the beneficiaries in February 2017, the date at which they become the beneficial owners thereof and are able to exercise their rights as shareholders.

- Long Term Incentive Plan "LTIP 2012" (April 2012)

Under this plan, a certain number of Group managers were awarded free shares, subject to two conditions. Firstly, employment must continue throughout the four-year vesting period, except for tax residents of France who have a shorter three-year vesting period but an additional two-year lock-in period. Furthermore, the free shares are subject to additional performance criteria, such that the total number of shares received was dependent on the overall attainment of growth and profitability targets in 2012. Performance was measured in March 2013, with 100% of the targets for this plan being achieved. The shares were initially awarded in April 2012 and will vest in April 2016, except for French employees whose share awards will vest in April 2015.

- Free share plan for employees in the following 16 countries (December 2011): Germany, Belgium, Brazil, Canada, Denmark, Spain, Finland, India, Italy, Mexico, Norway, Netherlands, Poland, Portugal, United Kingdom, Sweden.

Under this plan, as was done in France in 2009 and in the United States in 2010, 50 free shares were allocated on December 1, 2011 to all employees who have at least six months of employment and who work more than 21 hours per week in a majority-owned subsidiary established in one of the countries included in the plan. Receipt of the shares is conditional on two years of employment for Spain and Italy, plus a lock-in period of three-years, and of four years for the other countries: the free shares were received by beneficiaries in December 2013 for Spain and Italy and will be received in December 2015 for the other countries, at which point they will become the beneficial owners thereof and may exercise their rights as shareholders.

- Long Term Incentive Plan "LTIP 2011" (April 2011)

Under this plan, a certain number of Group managers were awarded free shares, subject to two conditions. Firstly, employment must continue throughout the four-year vesting period, except for tax residents of France who have a shorter three-year vesting period but an additional two-year lock-in period. Furthermore, the free shares are subject to additional performance criteria, such that the total number of shares received was dependent on the overall attainment of growth and profitability targets in 2011. Performance was measured in March 2012, with 95.7% of the targets for this plan being achieved. The shares were initially awarded in April 2011 and will vest in April 2015, except for French employees whose share awards vested in April 2014.

- Free share plan for employees of American entities (December 2010)

Under this plan in the US, 50 free shares were awarded on December 1, 2010 to all employees working more than 21 hours per week in a majority-owned subsidiary in the USA. Receipt of the shares is conditional on four years of employment: the beneficiaries received the free shares in December 2014.

- Long Term Incentive Plan "LTIP 2010" (August 2010) and "LTIP 2010-2012" for members of the Management Board (September 2010)

Under these plans, a certain number of Group managers were awarded free shares, subject to two conditions. Firstly, employment must continue throughout the four-year vesting period, except for tax residents of France who have a shorter three-year vesting period but an additional two-year lock-in period. Furthermore, the shares are subject to additional performance criteria, such that the total number of shares received was dependent on the overall attainment of growth and profitability targets in 2010 (or over the 2010-2012 period for members of the Management Board). Performance was measured in March 2011, with 100% of the targets being achieved for LTIP 2010 and 98.6% for LTIP 2010-2012 (Management Board). The shares were initially awarded in August (September for the Management Board) 2010 and vested in August (and September) 2014, except for French employees whose share awards vested in August (and September) 2013.

- Free share plan for certain employees of Razorfish (December 2009)

At the time of the Razorfish acquisition, some of its employees benefited from Microsoft "Restricted Share Units" awarded between 2007 and 2009. On December 1, 2009, a new Publicis Groupe free share plan was implemented, subject to continued employment of the same beneficiaries, whereby the same number of shares was awarded after being converted into Publicis Groupe shares with the same vesting dates as the prior plans (which for most beneficiaries vested between January 2010 and September 2015). The number of free Microsoft shares in the process of vesting was converted into Publicis Groupe shares, using the existing ratio between the average Microsoft share price over the preceding 20 trading days over the Publicis Groupe share price on the acquisition date (October 13, 2009).

The stock option plans in force at December 31, 2014 had the following features:

- Stock option plan as part of a co-investment program (April 2013)

Under this plan, offered to 200 members of Group management, each beneficiary is awarded one free share and 7.03 stock options for each Publicis share purchased on their behalf by LionLead, a specific structure dedicated to this operation. The stock options are subject to conditions: *i.e.*, that the entire investment remains unsold and that employment continues throughout the four-year vesting period, except for tax residents of France who have a shorter three-year vesting period. These options, which were granted in April 2013, will become exercisable in April 2017, except for French employees for whom they will become exercisable in April 2016.

The options are also subject to performance criteria, such that the number of options that can effectively be exercised will depend on the overall attainment of growth and profitability targets over the 2013-2015 period. On top of this, a market condition, designed to limit the theoretical gain calculated at the end of a three-year period at 50% of the exercise price of the option, will also lead to an adjustment in the number of exercisable options.

- 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 over 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, corresponding to 62.59% of the initial grant. For the first half of the options, the exercise period began in 2009, while the second half was exercisable as of April 2010. The options expire ten years after the date of grant.

- Plan awarded 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 over the 20 days preceding the date of grant. Options may be exercised after a period of four years and expire ten 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 confer entitlement to one share, the exercise price of which is the average cost of the treasury shares on the date of 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, corresponding to 98.92% of the initial grant. For the first half of the options, the exercise period began in 2006, while the second half was exercisable in 2007. The options expire ten years after the date of grant.

Share subscription or purchase options originated by Publicis Groupe

Characteristics of Publicis Groupe stock option plans outstanding at December 31, 2014

Plans	Type (1)	Date of grant	Exercise price of options (in euros)	Options outstanding on January 1, 2014 (or if later: the grant date)	Cancelled or lapsed options in 2014	Options exercised in 2014	Options outstanding on December 31, 2014	Of which exercisable at December 31, 2014	Expiration date	Remaining contract life (in years)
19th tranche LTIP 2003-2005	A	09/28/2004	24.82	236,905	0	(236,905)	0	0	09/28/2014	-
20th tranche LTIP 2003-2005	A	05/24/2005	24.76	71,077	0	(14,262)	56,815	56,815	05/24/2015	0.39
21st tranche	A	08/21/2006	29.27	100,000	0	(100,000)	0	0	08/21/2016	1.63
22nd tranche LTIP 2006-2008	A	08/21/2006	29.27	1,034,347	0	(435,146)	599,201	599,201	08/21/2016	1.63
23rd tranche LTIP 2006-2008	A	08/24/2007	31.31	238,610	(2,504)	(49,145)	186,961	186,961	08/24/2017	2.64
Co-investment 2013 – options	S	04/30/2013	52.76	5,778,302	(176,091)	0	5,602,211	0	04/30/2023	8.33
TOTAL OF ALL TRANCHES				**7,459,241**	**(178,595)**	**(835,458)**	**6,445,188**	**842,977**		

(1) A = stock options – S = share subscription options.

The award of the share purchase or subscription options under the above plans is conditional on continued employment throughout the vesting period. The award is also subject to non-market performance conditions for all plans, plus a market condition in the case of the 2013 co-investment plan.

Movements in Publicis Groupe stock option plans over the last three years

	2014		2013		2012	
	Number of options	Average exercise price (in euros)	Number of options	Average exercise price (in euros)	Number of options	Average exercise price (in euros)
Options at January 1	7,459,241	47.35	2,658,680	28.27	5,892,204	27.82
Options granted during the year	0	0	5,949,305	52.76	-	
Options exercised (1)	(835,458)	28.05	(864,119)	27.71	(2,837,244)	27.50
Cancelled or lapsed options	(178,595)	52.46	(284,625)	41.94	(396,280)	27.09
Options outstanding at December 31	6,445,188	49.71	7,459,241	47.35	2,658,680	28.27
Of which exercisable	842,977	29.42	1,680,939	28.74	2,658,680	28.27
(1) Average share price on exercise (in euros).		*60.23*		*56.19*		*40.57*

Free share plans originated by Publicis Groupe

CHARACTERISTICS OF PUBLICIS GROUPE FREE SHARE PLANS OUTSTANDING AT DECEMBER 31, 2014

Plans	Date of grant initial	Grants as of January 1, 2014 (or if later: date of grant)	Shares canceled, lapsed or transferred (1) in 2014	Shares vesting in 2014	Shares yet to vest at December 31, 2014	Vesting date of shares (2)	Remaining contract life (in years)
LTIP Plan 2010 – Outside France	08/19/2010	441,000	(45,250)	(395,750)	-	08/19/2014	-
LTIP Plan 2010-2012 (Management Board members Outside France)	09/22/2010	98,566	-	(98,566)	-	09/22/2014	-
50 free shares plan 2010 – United States	12/01/2010	303,150	(54,250)	(248,900)	-	12/01/2014	-
LTIP Plan 2011 – France	04/19/2011	75,565	(958)	(74,607)	-	04/19/2014	-
LTIP Plan 2011 – Outside France	04/19/2011	466,862	(39,125)	-	427,737	04/19/2015	0.30
50 free shares plan 2011 – 14 countries	12/01/2011	274,775	(67,175)	-	207,600	12/01/2015	0.92
LTIP Plan 2012 – France	04/17/2012	90,500	(700)	-	89,800	04/17/2015	0.29
LTIP Plan 2012 – Outside France	04/17/2012	535,274	(55,135)	-	480,139	04/17/2016	1.30
50 free shares plan 2013 – 26 countries	02/01/2013	250,425	(44,300)	-	206,125	02/01/2017	2.09
LTIP Plan 2013 – France	04/16/2013	81,975	(34,721)	-	47,254	04/16/2016	1.29
LTIP Plan 2013 – Outside France	04/16/2013	540,550	(248,029)	-	292,521	04/16/2017	2.29
LTIP Plan 2013-2015 (Management Board members France)	06/17/2013	70,000	(9,402)	-	60,598	06/17/2016	1.46
LTIP Plan 2013-2015 (Management Board members Outside France)	06/17/2013	35,000	(4,701)	-	30,299	06/17/2017	2.46
2013 co-investment plan – Free shares France	04/30/2013	133,335	(7,638)	-	125,697	04/30/2016	1.33
2013 co-investment plan – Free shares Outside France	04/30/2013	688,628	(17,411)	-	671,217	04/30/2017	2.33
LTIP Plan 2014 – France	03/20/2014	85,960	(1,720)	-	84,240	03/20/2017	2.22
LTIP Plan 2014 – Outside France	03/20/2014	553,790	(14,155)	-	539,635	03/20/2018	3.22
TOTAL OF FREE SHARE PLANS		**4,725,355**	**(644,670)**	**(817,823)**	**3,262,862**		

(1) These relate to any transfers between French and foreign plans due to the geographic mobility of beneficiaries.
(2) After this date, French beneficiaries must observe an additional two-year lock-in period.

The award of the free shares under the above plans is conditional on continued employment throughout the vesting period. Awards under the following plans are also subject to non-market performance conditions: the 2013 co-investment plan as regards the members of the Management Board and the LTIP 2010 to LTIP 2014.

MOVEMENTS IN PUBLICIS GROUPE FREE SHARE PLANS OVER THE LAST THREE YEARS

	2014	2013	2012
Provisional grants at January 1	4,085,605	4,992,805	5,629,822
Provisional grants during the year	639,750	1,908,313	681,550
Grants vesting (deliveries)	(817,823)	(2,453,322)	(805,470)
Grants lapsed	(644,670)	(362,191)	(513,097)
PROVISIONAL GRANTS AT DECEMBER 31	**3,262,862**	**4,085,605**	**4,992,805**

Share subscription plans originated by Digitas

On the acquisition of Digitas these plans were converted into the Publicis Groupe stock option plans, applying the ratio existing between the acquisition price of our public offering for Digitas (translated into euros) and to the Publicis Groupe share price at the completion date of the merger. The subscription price was correspondingly adjusted.

CHARACTERISTICS OF THE DIGITAS STOCK OPTION PLANS OUTSTANDING AT DECEMBER 31, 2014

Shares with a euro 0.40 par value	Date of grant		Exercise price of options (in euros)		Number of options outstanding at December 31, 2014	Of which exercisable at December 31, 2014	Expiry date		Remaining contract life (in years)
	min	max	min	max			min	max	
Digitas Plans									
2001	03/01/2001	01/24/2007	5.08	35.42	53,554	53,554	03/01/2011	01/24/2017	1.13
2005 UK	06/01/2005	12/01/2006	21.70	35.42	5,055	5,055	06/01/2015	12/01/2016	1.50
TOTAL OF TRANCHES					**58,609**	58,609			

MOVEMENTS IN DIGITAS STOCK OPTION PLANS FOR THE LAST THREE YEARS

	2014		2013		2012	
	Number of options	Average exercise price (in euros)	Number of options	Average exercise price (in euros)	Number of options	Average exercise price (in euros)
Options at January 1	91,020	27.59	188,408	27.20	326,685	25.27
Options exercised [(1)]	(12,346)	14.02	(76,433)	36.23	(42,106)	18.53
Cancelled or lapsed options	(20,065)	25.70	(20,955)	23.16	(96,171)	24.45
OPTIONS OUTSTANDING AT DECEMBER 31	**58,609**	**28.67**	**91,020**	**27.59**	**188,408**	**27.20**
Of which exercisable	58,609	28.67	91,020	27.59		27.20
(1) Average option exercise price (in euros).		*60.23*		*56.19*		*40.57*

Publicis Groupe free share plans granted to certain Razorfish employees

The new Publicis Groupe free share plan, established 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 in the Publicis Groupe. For the majority of shares the vesting period runs for four years (2010-2013), with a smaller portion running until 2018. At December 31, 2014, the number of free shares yet to be vested was 69.

CONTRACTUAL GUARANTEES GIVEN

- Guarantee until 2019 on behalf of Leo Burnett USA to the owner of the premises at 35 West Wacker Drive in Chicago, for a maximum of USD 55,293,680 in respect of rental payment and of USD 55,517,960 in respect of real estate taxes and rental charges 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 of GBP 3,841,167 in respect of rental payments and of GBP 517,175 in respect of rental charges 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 of GBP 16,347,301 in respect of rental payments and of GBP 1,625,638 in respect of rental charges related to the building;
- Joint and several guarantee of the debts of Publicis Groupe Holdings, Publicis Holdings and Publicis Groupe Investments;
- Guarantee given to Citi Indonesia for the repayment of loans totaling 34 billion Indonesian rupiahs given to PT Dyan Prana Shakti, PT Publicis Metro and PT Indonesia Media Exchange;
- Guarantee given to Réseau Ferré de France for an agreement on Médial Rail's use of advertising space for euro 34,613,000.

Commitments given as part of the hedging of foreign currency loans granted to certain subsidiaries:

Amount in currency (in thousands of units)	USD 446	USD 430	USD 435,190
Type of contract	seller's hedge	buyer's hedge	buyer's hedge
Currency	USD/EUR	USD/EUR	USD/EUR
Maturity date	01/31/2015	01/31/2015	12/16/2021
Forward rate	1.248850	1.214500	1.2434
Equivalent (in thousands of euros)	357.1	354.0	350,000
Market value at December 31, 2014 (in thousands of euros)	367.3	354.1	336,787

Amount in currency (in thousands of units)	USD 433,860	USD 370,710	USD 370,560
Type of contract	buyer's hedge	buyer's hedge	buyer's hedge
Currency	USD/EUR	USD/EUR	USD/EUR
Maturity date	12/16/2021	12/16/2024	12/16/2024
Forward rate	1.2396	1.2357	1.2352
Equivalent (in thousands of euros)	350,000	300,000	300,000
Market value at December 31, 2014 (in thousands of euros)	336,787	329,463	329,463

Off-balance sheet commitments received

- A credit facility of USD 1.890 billion – December 2014:

  This facility, which was initially arranged on November 1, 2014 for USD 3.5 billion to fund the acquisition of Sapient, was reduced to USD 1.89 billion on December 16, 2014 following the issue of the Eurobond for euro 1.3 billion. This facility, which matures in January 2016, will be cancelled once new financing has been arranged. It wasn't used at December 31, 2014.
- Multi-currency syndicated credit lines for 1.2 billion maturing in July 2016:

  This line was not used at December 31, 2014.
- Confirmed bilateral credit lines for euro 717 million:

  These lines were not used at December 31, 2014.

Note 25 Risks and litigation

The suit to, among other things, block the merger filed on August 5, 2013 by various shareholders of Omnicom Group Inc. in New York State Supreme Court was withdrawn by the applicants on May 22, 2014 following the announcement of the cancellation of the planned merger.

Note 26 Subsequent events

Acquisition of Sapient Corporation

On January 23, 2015, the Group announced an extension to the public tender offer for the acquisition of Sapient to February 5, 2015, the offer being extended to allow additional time to complete certain US government procedures. Full regulatory clearance was obtained on February 4, 2015, allowing the offer to be completed on February 6, 2015.

In addition, the Group refinanced its USD 1.890 billion syndicated credit facility to fund the acquisition of Sapient and maturing in January 2016, with a USD 1.6 billion medium-term syndicated loan signed on January 20, 2015 maturing in 2018, 2019 and 2020.

Note 27 Subsidiaries and other investments at December 31, 2014

(Figures in thousands of euros except for equity which is stated in local currency)

A) Subsidiaries and other investments whose carrying amount exceeds 1% of Publicis Groupe's share capital

Company	Share capital	Reserves and earnings brought forward	% interest	Gross carrying amount	Net carrying amount	Loans and advances	Billings	Net income	Dividends received
Subsidiaries									
Publicis Groupe Investments B.V.	68,709	7,040,915	100.00	4,898,314	4,898,314	0	0	109,469	0
Prof. W.H. Keesomlaan 12 1183 DJ Amstelveen Netherlands									
MMS France Holdings	114,607	(110,568)	100.00	249,294	132,176	35,333	0	4,151	0
133, avenue des Champs-Élysées 75008 Paris France SIREN 444 714 786									
Médias et Régies Europe	24,150	2,723	99.99	25,508	23,999	0	4,781	2,723	11,028
133, avenue des Champs-Élysées 75008 Paris SIREN 353 938 905									
Metrobus	1,840	934	32.30	17,508	12,161	8,106	144,693	3,805	726
1, Rond Point Victor Hugo 92137 Issy-les-Moulineaux SIREN 327 096 426									

B) General information with regard to all subsidiaries and other investments

	Subsidiaries		Investments	
	French	Foreign	French	Foreign
Carrying amount of shares held				
• Gross	292,535	4,898,359	2	0
• Net	168,561	4,898,359	2	0
Amount of dividends received	67,943	0	0	0

Details of securities at December 31, 2014

	% interest	Net carrying amount (in thousands of euros)
I - Investments		
A. Investments in French companies		
382,023,537 shares in MMS France Holdings	100.00%	132,176
1,609,991 shares in Médias et Régies Europe	99.99%	23,999
37,146 shares in Metrobus	32.30%	12,161
9,100 shares in Publicis Finance Services	100.00%	186
3,700 shares in Publicis Groupe Services	100.00%	37
Investments with a carrying amount less than euro 15,000, aggregate		3
Total French investments		**168,562**
B. Investments in foreign companies		
151,343 shares in Publicis Groupe Investments	100.00%	4,898,314
45,000 shares in Publicis Communications Group NV	100.00%	45
Investments with a carrying amount less than euro 15,000, aggregate		-
Total foreign investments		**4,898,359**
TOTAL INVESTMENTS		5,066,921
II - Other non-current securities		
C. French securities		
TOTAL OTHER NON-CURRENT SECURITIES		**0**
III - Other securities		
D. Other securities of French companies		
7,895,366 Publicis Groupe SA treasury shares (1)	3.57%	320,393
Money mutual funds		15,292
Investments with a carrying amount less than euro 15,000, aggregate		5
E. Other foreign securities		**14**
TOTAL OTHER SECURITIES		335,704
TOTAL SECURITIES		**5,402,625**

(1) Shares held under share buyback programs, including the liquidity contract.

5.5 Results of Publicis Groupe SA over the past five years

	2014	2013	2012	2011	2010
Share capital at year-end					
Share capital (in thousands of euros)	88,482	86,409	84,003	77,343	76,658
Number of shares in issue	221,203,857	216,023,378	210,008,734	193,357,945	191,645,241
Maximum number of future shares to be issued:					
• under free share plans	8,865,073	9,041,944	2,826,154	2,504,950	1,704,475
• as a result of warrant exercises	2,203,033	2,887,805	5,602,699	5,602,699	5,602,699
• as a result of the conversion of bonds [1]	12,684,488	14,954,875	18,245,828	45,646,888	47,131,733
Operations and results for the year (in thousands of euros)					
Billings, excluding VAT	52,838	18,751	14,599	20,484	15,146
Profit (loss), before tax, depreciation, amortization and provisions	(14,347)	574,606	(5,747)	347,285	202,334
Income taxes (credit)	(31,980)	(26,996)	(36,622)	(28,196)	(37,717)
Net income after taxes, depreciation, amortization and provisions	(3,007)	551,959	37,483	378,815	235,928
Income distributed for the period	265,445 [2][4]	229,505	178,179	119,452	128,817
Earnings per share (in euros)					
Net income after taxes, but before depreciation, amortization and provisions	0.08	2.78	0.15	1.94	1.25
Net income after taxes, depreciation, amortization and provisions	(0.01)	2.56	0.18	1.96	1.23
Dividend per share	1.20 [4]	1.10	0.90	0.70	0.70
Employees (in thousands of euros except headcount)					
Average headcount	38	2	2	2	2
Payroll expense [3]	11,680	4,847	20,870	2,711	761
Benefits (social security, other employee benefits)	4,466	1,429	5,179	796	645

(1) It was assumed that new shares would be issued to redeem both Océanes and Oranes.
(2) Estimate on the basis of existing shares at December 31, 2014, including treasury shares.
(3) In 2010, payroll included the reversal of the provision for the bonus for a gross amount of euro 2,033,000.
In 2012, payroll expense included euro 16,035,969 in respect of the deferred bonus of the Chairman of the Management Board, which vested between 2003 and 2011, for which provisions were funded each successive year and paid out in 2012.
(4) Payable in cash or in shares and subject to shareholder approval (General Shareholders' Meeting to be held on May 27, 2015).

5.6 Statutory auditors' report on the parent financial statements

Year ended December 31, 2014

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meetings, we hereby report to you, for the year ended December 31, 2014, on:

- the audit of the accompanying financial statements of Publicis Groupe SA, attached to this report;
- the justification of our assessments;
- the specific verification required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I - 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 financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2014 and of the results of its operations for the year then ended in accordance with French Accounting Principles.

II - JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L. 823-9 of the French commercial code (*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 notes 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.

These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - SPECIFIC VERIFICATION

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the documents addressed to shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L. 225-102-1 of the French Commercial code relating to remunerations and benefits received by the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling your Company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this 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.

Paris-La Défense and Courbevoie, April 3, 2015

The statutory auditors

French original signed by

ERNST & YOUNG et autres		MAZARS	
Vincent de La Bachelerie	**Christine Staub**	**Loïc Wallaert**	**Anne-Laure Rousselou**

6

INFORMATION ABOUT THE COMPANY AND THE SHARE CAPITAL

6.1 Information about the Company

6.1.1 COMPANY NAME AND TRADE NAME

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

6.1.2 REGISTRATION PLACE AND NUMBER

Publicis Groupe SA is registered with the Paris Trade and Companies Registry under number 542 080 601; code APE – NAF 7010Z.

6.1.3 DATE OF INCORPORATION AND TERM

Incorporation date: October 4, 1938.

Term: October 3, 2037, unless extended.

6.1.4 REGISTERED OFFICE, LEGAL FORM, APPLICABLE LEGISLATION, COUNTRY OF ORIGIN, ADDRESS AND TELEPHONE NUMBER OF THE REGISTERED OFFICE

Publicis Groupe SA is a French joint-stock limited liability company *(Société Anonyme)* with a Management Board and a Supervisory Board, governed by Articles L. 225-57 through L. 225-93 of the French Commercial Code.

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

6.1.5 DEEDS OF INCORPORATION AND BYLAWS

CORPORATE PURPOSE (ARTICLE 2 OF THE COMPANY BYLAWS)

The Company's corporate purposes are to:

- produce and derive added value in any manner from advertising and publicity in any format or of any 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, all commercial, financial, industrial and real and intangible property transactions of any type relating directly or indirectly 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 any form in any other French or foreign businesses or companies, whatever their corporate purposes.

MANAGEMENT BOARD (ARTICLES 10 TO 12 OF THE COMPANY BYLAWS)

The Management Board oversees Publicis' management. It is fully empowered to act on the Company's behalf in all circumstances. These powers may only be exercised within the limit of the corporate purpose and subject to the powers that are by law reserved for the Supervisory Board and Shareholders' Meetings. 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 period of four years and must be a natural person, but need not be a shareholder. Members of the Supervisory Board may be re-appointed. The terms of office of each Supervisory Board member ends at the Annual Ordinary General Shareholders' Meeting following their seventy-fifth birthday. The Supervisory Board appoints one of the members of the Management Board as Chairperson and may appoint one, 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 a General Shareholders' Meeting.

SUPERVISORY BOARD (ARTICLES 13 TO 17 OF THE COMPANY BYLAWS)

The Supervisory Board has the responsibility of exercising ongoing supervisory authority over the Management Board. It has at least three and at most eighteen members, who may be reappointed, and who are appointed by the General Shareholders' Meeting for a period of four years in accordance with the decision of the Extraordinary General Shareholders' Meeting of May 29, 2013 which reduced this term of office from six to four years. By way of exception, the terms of office of Supervisory Board members who were in the process of serving six year terms as of that Shareholders' Meeting will continue up to their original expiry date. 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 at the date of the Supervisory Board's meeting to approve the financial statements for the past 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 Shareholders' Meeting.

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, even with regards to third party, 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.

POWERS OF THE MANAGEMENT BOARD WITH RESPECT TO SHARE BUYBACKS (ARTICLE 7 IV OF THE COMPANY BYLAWS)

The Extraordinary General Shareholders' Meeting may authorize the Management Board to purchase a specified number of Company shares in order to cancel them by way of a capital reduction in accordance with Article L. 225-206 of the French Commercial Code.

In addition, the Company may acquire its own shares in accordance with the provisions of Articles L. 225-208 and L. 225-209 of the French Commercial Code, specifically those intended to regulate the stock market price of the Company shares.

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 location specified in the above-mentioned notice and set by the notifier. If so decided by the Management Board when calling the meeting, the meeting may be publicly broadcast by videoconferencing or any other means of telecommunication, including over the Internet (article 19 of the Company bylaws).

REPRESENTATION AND ADMISSION TO GENERAL SHAREHOLDERS' MEETINGS (ARTICLE 20 OF THE COMPANY BYLAWS)

Any shareholder may participate, personally or through an authorized representative, in Shareholders' Meetings, justifying his/her identity and his/her ownership of the securities, under the conditions provided for by the law.

Any shareholder may, if so permitted by the Management Board when calling the General Shareholders' Meeting, participate in the meeting by videoconferencing or any other means of telecommunication including over the Internet, subject to applicable laws and regulations. Any such shareholder is deemed present for the purposes of calculating the quorum and majority.

VOTING RIGHTS (ARTICLES 21 PARAGRAPHS 5 TO 8 OF THE COMPANY BYLAWS)

Each of the Company shares carries the right to cast one vote in shareholder elections. However, in accordance with a resolution approved at the Extraordinary General Shareholders' Meeting on September 14, 1968, shares registered with the same shareholder for at least two years, or which have only been transferred during that period from one registered owner to another within the framework of an intestate estate or testamentary succession (based on the joint ownership of the shares or a donation to a living person for the benefit of a spouse or relative through an inherited right) carry double voting rights. The Extraordinary General Shareholders' Meeting has the possibility to purely and simply cancel the double voting right, however this cancellation will only become effective after the approval of a special meeting of shareholders who hold double voting right shares.

In the event of the division of ownership of Company shares, the limited owners and bare owners of shares can freely distribute voting rights at the Exceptional or Ordinary General Shareholders' Meetings provided they notify the Company beforehand, by providing a certified copy of their agreement at least twenty calendar days before the first General Shareholders' Meeting is held following the above-mentioned ownership division by registered mail. Failing notification within this period, the distribution will be implemented ipso jure in accordance with Article L. 225-110, paragraph 1, of the French Commercial Code.

Any shareholder may vote by post in accordance with and in the manner provided for in prevailing laws and regulations. When so decided by the Management Board, and indicated in the meeting notice published in the BALO *(Bulletin des Annonces Légales Obligatoires)*, shareholders may vote by any means of telecommunication including over the Internet, subject to the laws and regulations prevailing as of the moment of its use.

AMENDMENTS TO THE BYLAWS (ARTICLES 23 OF THE COMPANY BYLAWS)

An Extraordinary General Shareholders' Meeting may make any change to any provision of the bylaws that is permissible under the law. Such changes include but are not limited to: a vote on any modification to the share capital, such as increasing or reducing share capital, consolidating shares or splitting shares into shares with a lower par value.

DECLARATIONS OF SHARE OWNERSHIP (ARTICLES 7 III AND 6 PARAGRAPH 6 OF THE COMPANY BYLAWS)

Any natural or legal person, acting individually or jointly, who owns or acquires, by any means as described in Article L. 233-7 of the French Commercial Code, any fraction equivalent to or greater than 1% of the share capital or voting rights, or any multiple thereof, must notify the Company of the total number of shares or voting rights held, by registered mail with return receipt sent to the registered office within five trading days of crossing any of these thresholds. 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 above.

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 period provided for by current legislation. Unless one of the thresholds provided for in the above-mentioned Article L. 233-7 is breached, this sanction will only be applied subsequent to a request, recorded in the minutes of the General Shareholders' Meeting, of one or more shareholders holding at least 1% of the Company's capital.

LIQUIDATION RIGHTS (ARTICLE 32 OF THE COMPANY BYLAWS)

At the end of the Company's term of incorporation, or in the event of dissolution, 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 par value of its shares. Any surplus will be distributed pro rata among shareholders in proportion to the par value of their shareholdings.

6.2 Ownership structure

6.2.1 MAJOR SHAREHOLDERS AND VOTING RIGHTS

As at December 31, 2014, to the best of Publicis' knowledge, no person held, directly or indirectly, individually or jointly, 5% or more of its shares (a "Major Shareholder") except those disclosed below. Publicis' bylaws state 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. The Company has not issued any preferred shares or any securities without voting rights.

It is noted that Publicis Groupe acquired 18,000,000 shares from the Dentsu Company on February 17, 2012. Of these shares, 10,759,813 shares were canceled, leaving the balance remaining in the portfolio at 7,240,187 shares. Then, on February 15, 2013, Publicis Groupe acquired the remaining shares still held by Dentsu, namely 3,875,139 shares. These shares were kept as treasury shares.

DISTRIBUTION OF THE COMPANY'S SHARE CAPITAL AND VOTING RIGHTS

As at December 31, 2014	Shares held	% of capital(2)	Voting rights	% of voting rights(3)
A/ Shareholders holding more than 5% of the capital				
Élisabeth Badinter(1)	19,172,340	8.67%	38,344,680	15.87%
B/ Treasury shares	7,895,366	3.57%	-	-
C/ Public (registered and bearer shares)	194,136,151	87.76%	203,285,039	84.13%
TOTAL	**221,203,857**	**100.00%**	**241,629,719**	**100.00%**

(1) Élisabeth Badinter fully owned 2.67% of the shares (representing 4.88% of the voting rights) and had the right to income for 6.00% of the shares with her children owning the underlying shares (representing 10.99% of the voting rights).

(2) Percentages are calculated based on the total number of shares issued by the Company, including treasury shares.

(3) Percentages are calculated based on the total number of shares issued by the Company, excluding treasury shares with no voting rights, and counting the double voting rights attached to some shares.

On March 17, 2015, Élisabeth Badinter and her family group sold 2,406,873 Publicis Groupe SA shares to the Company. This takes her stake and that of her children to 7.58% of the share capital and 13.88% of the voting rights (13.62% of the theoretical voting rights).

REMINDER OF THE DISTRIBUTION OF THE COMPANY'S SHARE CAPITAL AND VOTING RIGHTS FOR THE PRIOR TWO YEARS

At December 31, 2013	Shares held	% of capital (2)	Voting rights	% of voting rights (3)
A/ Shareholders holding more than 5% of the capital				
Élisabeth Badinter(1)	19,172,340	8.88%	38,344,680	16.35%
BlackRock Inc.(4)	13,261,591	6.14%	13,261,591	5.65%
Thornburg Investment Management Inc.(4)	12,809,443	5.93%	12,809,443	5.46%
B/ Treasury shares	9,436,116	4.37%	-	-
C/ Public (registered and bearer shares)	161,343,888	74.68%	170,174,387	72.54%
TOTAL	**216,023,378**	**100.00%**	**234,590,101**	**100.00%**

(1) Élisabeth Badinter fully owned 2.73% of the shares (representing 5.03% of the voting rights) and had the right to income for 6.14% of the shares with her children owning the underlying shares (representing 11.32% of the voting rights).

(2) Percentages are calculated based on the total number of shares issued by the Company, including treasury shares.

(3) Percentages are calculated based on the total number of shares issued by the Company, excluding treasury shares with no voting rights, and counting the double voting rights attached to some shares.

(4) Institutional funds hold shares on behalf of funds or clients under management.

As at December 31, 2012	Shares held	% of capital(2)	Voting rights	% of voting rights(3)
A/ Shareholders holding more than 5% of the capital				
Élisabeth Badinter(1)	19,172,340	9.13%	38,344,680	16.57%
Thornburg Investment Management Inc.(4)	14,955,035	7.12%	14,955,035	6.46%
B/ Treasury shares	10,805,084	5.15%	-	-
C/ Public (registered and bearer shares)	165,076,275	78.60%	178,154,939	76.97%
TOTAL	**210,008,734**	**100.00%**	**231,454,654**	**100.00%**

(1) Élisabeth Badinter fully owned 2.81% of the shares (representing 5.10% of the voting rights) and had the right to income for 6.32% of the shares with her children owning the underlying shares (representing 11.47% of the voting rights).

(2) Percentages are calculated based on the total number of shares issued by the Company, including treasury shares.

(3) Percentages are calculated based on the total number of shares issued by the Company, excluding treasury shares with no voting rights, and counting the double voting rights attached to some shares.

(4) Institutional funds hold shares on behalf of funds or clients under management.

The Company and the AMF were notified that legal thresholds had been crossed in the following cases, in accordance with Article L. 233-7 of the French Commercial Code:

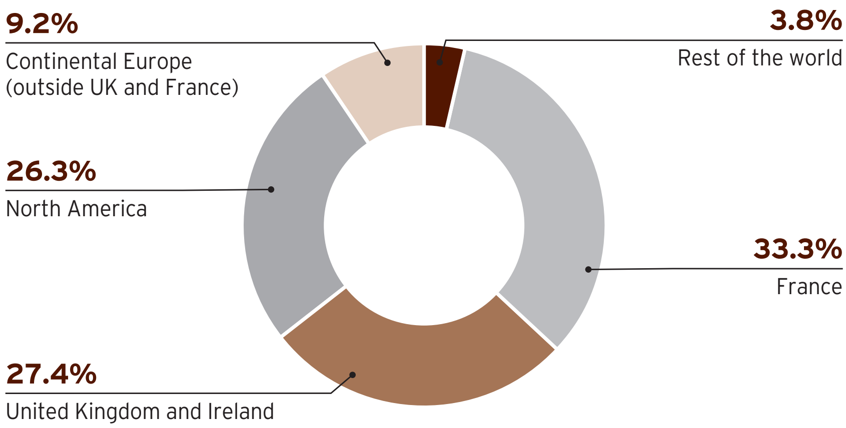
BlackRock Inc., acting on behalf of funds and clients under management, declared:

- in letters received on January 3 and 6, 2014, by way of regularization, having crossed over, on November 8, 2013, the thresholds of 5% of the share capital and voting rights of Publicis Groupe SA and holding, on that date, 5.65% of the share capital and 5.002% of the voting rights;
- in letters received on July 23 and 24, 2014, by way of regularization, having crossed under, on May 12 and 16, the thresholds of 5% of the share capital and voting rights of Publicis Groupe SA and holding, on July 24, 3.07% of the share capital and 2.71% of the voting rights.

Thornburg Investment Management Inc., acting on behalf of managed funds and clients, declared by notification dated July 1, 2014, by way of regularization, having crossed under the 5% threshold of the share capital and voting rights of Publicis Groupe SA.

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 approximately 66,274 shareholders as at December 31, 2014.

BREAKDOWN OF SHARE CAPITAL BY REGION AS AT DECEMBER 31, 2014 (AS A % OF THE SHARE CAPITAL)



6.2.2 CONTROL OF THE COMPANY

On December 31, 2014, to the best of its knowledge, the Company was not controlled and was not subject to any agreement or engagement linking one or several shareholders, company, foreign government or other natural or legal person operating individually or conjointly with regard to the direct or indirect holding of its capital or under its control, and there existed no agreement of which the fulfillment could cause a change in the Company's control at a later date.

6.2.3 AGREEMENTS RELATED TO A POSSIBLE CHANGE OF CONTROL OR LIABLE TO HAVE AN INFLUENCE IN THE EVENT OF A PUBLIC TENDER OFFER

Information required by Article L. 225-100-3 of the French Commercial Code included in this Registration Document is the following: the mention of the existence of approvals granted by the Company's General Shareholders' Meeting to the Management Board regarding the share issuance (described in Section 6.3.1), the capital structure (described in Section 6.2) and the existence of double voting rights (provided for in the Company's bylaws and mentioned in Section 6.1.5).

It is also specified that, to the best of the Company's knowledge, no agreements exist requiring payment of indemnities, in the event of a takeover, to the members of the Management Board or employees if their employment should end as a result of this takeover.

Certain borrowings include change in control clauses.

6.3 Share capital

6.3.1 SUBSCRIBED CAPITAL AND SHARE CATEGORIES

COMPOSITION OF SHARE CAPITAL

Between April and December 2014, Publicis Groupe SA delivered free shares to beneficiaries of the Publicis Groupe SA free share plans (in particular under the LTIP 2010 for beneficiaries outside France, LTIP 2010-2012 for Management Board members outside France, LTIP 2011 for beneficiaries in France and the US plan for 50 free shares) in accordance with the provisions of these plans. Thus, during 2014, a total of 815,623 new shares at a par value of euro 0.40 per share were created as a result of these free share plans, representing a total capital increase of euro 326,249.20.

On July 3, 2014, Publicis Groupe SA paid out the full amount of the dividend voted by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 28, 2014, with each shareholder having the option between cash and shares, which resulted in a capital increase of euro 837,868.80 through the creation of 2,094,672 new shares with a par value of euro 0.40.

In September 2014, the repayment of the tenth tranche of the bonds redeemable in new or existing shares (Orane) resulted in a capital increase in the amount of euro 634,164.40, through the creation of 1,585,411 new shares with a par value of euro 0.40.

During 2014, 684,773 new shares with a par value of euro 0.40 were created as a result of warrant exercises, representing a total capital increase of euro 273,909.20.

As of December 31, 2014, the share capital totaled euro 88,481,542.80, divided into 221,203,857 fully paid-up shares with a par value of euro 0.40, of which 28,321,228 shares carried double voting rights.

UNISSUED AUTHORIZED CAPITAL

The Extraordinary General Shareholders' Meeting held on June 7, 2011

- In its twenty-second resolution, pursuant to Articles L. 225-197-1 *et seq.* of the French Commercial Code, it authorized the Management Board to grant free ordinary shares of the Company, either existing or to be issued, over a period of 38 months, to salaried employees of its choosing and eligible corporate officers (within the meaning of Article L. 225-197-1 II paragraph 1 of the French Commercial Code) of the Company or of companies or groups affiliated to it under the provisions of Article L. 225-197-2 of the French Commercial Code, or to certain categories of employees or eligible corporate officers, without 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 count towards the limit established in the twenty-third resolution. This authorization terminates the authorization granted by the Combined Ordinary and Extraordinary Shareholders' Meeting of June 3, 2008 in its twenty-third resolution, for the unused portion and the remaining time period.

  This delegation expired – for the unused portion and the remaining time period – on May 28, 2014, via a decision by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 28, 2014 in its nineteenth resolution.

  As of December 31, 2014, the Management Board had made use of this delegation of authority through the "LTIP 2014" free share plan (new shares). It therefore awarded 639,750 Publicis Groupe SA shares with a par value of euro 0.40. It should be recalled that the Management Board had already made use of this delegation of authority:

  - in 2011, by awarding 533,700 Publicis Groupe SA shares with a par value of euro 0.40 under an international free share plan,
  - in 2012, by awarding 681,150 Publicis Groupe SA shares with a par value of euro 0.40 under "LTIP 2012",
  - in 2013, by awarding 1,908,313 Publicis Groupe SA shares with a par value of euro 0.40 under various new or existing free share plans.

In addition, the Extraordinary General Shareholders' Meeting, in its twenty-third resolution, set the maximum amount of all capital increases through the issue of shares or other securities made pursuant to the authorizations granted to the Management Board principally in the twenty-second resolution above at the total par value of euro 40 million, in light of the effect on share capital of adjustments that may be made in accordance with legislative and regulatory provisions relating to the issue of shares or other equity securities.

The Extraordinary General Shareholders' Meeting held on May 29, 2012

- 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, with preferential subscription rights. This delegation authorizes one or several issues of equity securities of the Company's subsidiaries in accordance with Article L. 228-93 of the French Commercial Code. The maximum par value of any immediate or future capital increases likely to be carried out under this delegation is euro 35 million. The maximum par value of any capital increases likely to be carried out under the delegations granted to the Management Board by this General Meeting in resolutions thirteen through twenty-one and by the Combined Ordinary and Extraordinary Shareholders' Meeting on June 7, 2011 in resolutions eighteen and twenty-two is euro 35 million. The maximum par value of debt securities that may be issued under this delegation may not exceed euro 1.2 billion. This amount applies to all debt securities that the Management Board is authorized to issue pursuant to these resolutions. This delegation terminates the delegation granted by the Combined Ordinary and Extraordinary Shareholders' Meeting on June 7, 2011 in its twelfth resolution, for the unused portion and the remaining time period.

  This delegation expired on May 28, 2014, for the unused portion and the remaining time period, via a decision by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 28, 2014 in its thirteenth resolution. The Management Board did not use this delegation of authority.

- In its fourteenth 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, without preferential subscription rights, through a public offering. This delegation of authority authorizes one or several issues of equity securities of the Company's subsidiaries in accordance with Article L. 228-93 of the French Commercial Code. In addition, this resolution authorizes the issue of ordinary shares by the Company to cover the issuance of equity securities by the Company's subsidiaries. The maximum par value of any immediate or future capital increases likely to be carried out under this delegation may not exceed euro 14 million. This amount will count toward the overall maximum established in the thirteenth resolution, above. The maximum par value of debt securities may not exceed euro 1.2 billion. This amount applies to all debt securities that the Management Board is authorized to issue pursuant to these resolutions.

  This delegation expired on May 28, 2014, for the unused portion and the remaining time period, via a decision by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 28, 2014 in its fourteenth resolution. The Management Board did not use this delegation of authority.

- In its fifteenth 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, without preferential subscription rights, through an offer made in accordance with the provisions of paragraph II of Article L. 411-2 of the French Monetary and Financial Code. This delegation authorizes one or several issues of equity securities of the Company's subsidiaries in accordance with Article L. 228-93 of the French Commercial Code. In addition, this resolution authorizes the issue of ordinary shares by the Company to cover the issuance of equity securities by the Company's subsidiaries. The maximum par value of any immediate or future capital increases under this delegation may not exceed euro 14 million. This value will count toward the maximum par value of all capital increases without preferential subscription rights authorized by this General Shareholders' Meeting in its fourteenth resolution, above, and toward the maximum established in the thirteenth resolution, above. The maximum par value of debt securities may not exceed euro 1.2 billion. This amount applies to all debt securities that the Management Board is authorized to issue pursuant to these resolutions. The issue of shares can be carried out through an offer made pursuant to paragraph II of Article L. 411-2 of the French Monetary and Financial Code up to a maximum of 20% of the Company's share capital per year.

  This delegation expired on May 28, 2014, for the unused portion and the remaining time period, via a decision by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 28, 2014 in its fifteenth resolution. The Management Board did not use this delegation of authority.

- In its seventeenth resolution, it authorized the Management Board, for a period of 26 months, to implement capital increases by incorporating reserve, earnings, premiums or other sums that may be capitalized in accordance with the law and bylaws, followed by the issue and granting of free shares or increases in the par value of existing shares, or a combination of the two. The maximum par value of capital increases resulting from all issues under this resolution must not exceed euro 35 million. This delegation terminates the delegation granted by the Combined Ordinary and Extraordinary Shareholders' Meeting on June 7, 2011 in its sixteenth resolution, for the unused portion and the remaining time period.

  This delegation expired on May 28, 2014, for the unused portion and the remaining time period, via a decision by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 28, 2014 in its sixteenth resolution. The Management Board did not use this delegation of authority.

- In its eighteenth resolution, it authorized the Management Board, for a period of 26 months, to issue shares or other securities, including 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 market in accordance with Article L. 225-148 of the French Commercial Code, or any other such transaction having the same effect involving another company whose shares are traded on a market regulated by foreign law. The resolution also provided for the elimination, if necessary, of the preferential subscription rights attached to such securities. The maximum par value of any immediate or future capital increases under this delegation may not exceed euro 14 million. This value will count toward the maximum par value of all capital increases without preferential subscription rights authorized by this General Shareholders' Meeting in its fourteenth resolution, above, and toward the maximum established in the thirteenth resolution, above.

  This delegation expired – for the unused portion and the remaining time period – on May 28, 2014, via a decision by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 28, 2014 in its seventeenth resolution. The Management Board did not use this delegation of authority.
- In its nineteenth 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 close of the initial offer subscription period, by up to a maximum of 15% of the initial issue and at the same price as the initial issue. The par value of the capital increases issued under this delegation will count toward the maximum set forth under the resolution on the basis of which the initial capital increase is carried out and toward the overall maximum set forth by this General Meeting in its thirteenth resolution.

  This delegation expired – for the unused portion and the remaining time period – on May 28, 2014, via a decision by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 28, 2014 in its eighteenth resolution. The Management Board did not use this delegation of authority.

It is noted that, where applicable, the par value of any additional shares to be issued in the event of new financial transactions intended to preserve the rights of equity security holders in accordance with legal and regulatory provisions and any contractual adjustment clauses will be added to the maximums set forth by the resolutions above.

The Extraordinary General Shareholders' Meeting held on May 29, 2013

- In its thirteenth resolution, it authorized the Management Board, for a period of 26 months, to issue through a public offering or an offer made pursuant to paragraph II of Article L. 411-2 of the French Monetary and Financial Code, without preferential subscription rights, ordinary shares or other equity securities, setting the issue price. The issue price of any shares may not be lower than, as decided by the Management Board (i) the volume weighted average share price on the Euronext Paris regulated market in the final trading session preceding the setting of the issue price or (ii) the volume weighted average share price on the Euronext Paris regulated market taken mid-session when the issue price is set, less, in both instances, a possible maximum discount of 5%. The par value of the Company's capital increase resulting from the issue authorized under this resolution will count toward the maximum par value of capital increases without preferential subscription rights authorized by the General Shareholders' Meeting of May 29, 2012 in application of the fourteenth or fifteenth resolution depending on whether it involves a public offering or an offer made pursuant to paragraph II of Article L. 411-2 of the French Monetary and Financial Code. This amount will count toward the maximum established in the thirteenth resolution of the General Shareholders' Meeting of May 29, 2012.

  As of December 31, 2014, 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 other equity securities, subject to a maximum of 10% of the Company's share capital at the time of the issue, as consideration for contributions in-kind of shares or other equity securities granted to the Company, where the provisions of Article L. 225-148 of the French Commercial Code do not apply. This delegation terminates the delegation granted by the Combined Ordinary and Extraordinary Shareholders' Meeting of June 7, 2011 in its eighteenth resolution with immediate effect, for the unused portion and the remaining time period.

  As of December 31, 2014, the Management Board had not used this delegation of authority.

It is noted that, where applicable, the maximums set in similar resolutions that may supersede said resolutions during the period of validity of said authorizations may be added to the maximums set in the thirteenth and fourteenth resolutions.

- In its fifteenth resolution, it authorized the Management Board, for a period of 38 months, to grant to employees or corporate 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 Commercial Code, or to some of them, and within the limits set by the regulations in force, options granting the right to subscribe for 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 as permitted by law. The total number of options outstanding and unexercised under this authorization cannot give rights to subscribe for a number of shares representing more than 3% of the Company capital. This maximum will count toward the 5% maximum mentioned in the twenty-second resolution of the General Shareholders' Meeting of June 7, 2011 until the expiry of this authorization. The exercise of some or all of the options awarded under this authorization is subject to two performance conditions set by the Management Board when awarding them and measured over a period of three years. The option awards made under this authorization may, in accordance with the law, be made to eligible corporate officers of the Company, provided that the exercise of the options is subject to two performance conditions set by the Management Board when awarding them and measured over a period of three years, and that the shares resulting from the exercise of the options do not represent more than 0.5% of the share capital of the Company as it was on the date the decision to award the options was made by the Management Board (subject to any aforementioned adjustments), which will count toward the aforementioned maximum of 3% of the share capital. The subscription or purchase price of the shares shall be set by the Management Board on the date on which the options are granted, without any possibility of discount, within the limits and under the conditions provided for by law. The beneficiaries may exercise the options over a period of ten years, starting on the day that the options are granted. This delegation terminates the delegation granted by the Combined Ordinary and Extraordinary Shareholders' Meeting of June 1, 2010 in its twenty-fourth resolution with immediate effect, for the unused portion and the remaining time period.

As of December 31, 2014, the Management Board had not used this delegation of authority.

- In its sixteenth resolution, pursuant to Articles L. 3332-1 *et seq.* of the French Labor Code and article L. 225-138-1 of the French Commercial Code and in accordance with the provisions of Article L. 225-129-2 and L. 225-129-6 of the same Code, it authorized the Management Board to increase the share capital over a period of 26 months by issuing shares or other equity securities, without preferential subscription rights, to participants in an employee savings plan of the Company and related companies in France and abroad under the provisions of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labor Code. The maximum par value of the capital increase authorized by this resolution plus the amount of any increase pursuant to the seventeenth resolution below may not exceed euro 2.8 million. This amount will count toward the maximum established in the thirteenth resolution of the General Shareholders' Meeting of May 29, 2012. The subscription price will be established under the provisions of Article L. 3332-19 of the French Labor Code, with a discount not to exceed 20% of the average price over the 20 trading sessions immediately preceding the date of the decision setting the date on which the subscription period begins. The General Meeting also authorized the Management Board to reduce or eliminate the discount at its discretion in order to reflect legal, accounting, tax and social benefit regimes that may exist locally. The Management Board may also decide to grant free shares, either existing or to be issued, or other equity securities, either existing or to be issued, when necessary, for the discount, provided that their monetary value established at the subscription price is taken into consideration and does not cause the limits set in Articles L. 3332-19 and L. 3332-11-12-13 of the French Labor Code to be surpassed, and that the characteristics of any other equity securities are decided upon by the Management Board under the provisions of applicable regulations. This delegation terminates the delegation granted by the General Shareholders' Meeting of May 29, 2012 in its twentieth resolution, for the unused portion and the remaining time period.

  This delegation expired on May 28, 2014, for the unused portion and the remaining time period, via a decision by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 28, 2014 in its twentieth resolution. The Management Board did not use this delegation of authority.
- In its seventeenth resolution, pursuant to Articles L. 225-129 *et seq.* and Article L. 225-138 of the French Commercial Code, it authorized the Management Board to increase the share capital over a period of 18 months in the proportions and at such times as it deems appropriate through the issue of shares and any other equity securities immediately or in the future, without preferential subscription rights. The beneficiaries of subscription rights must be: (i) employees and corporate officers of companies of the Publicis Groupe affiliated to the Company under the provisions of Article L. 225-180 of the French Commercial Code and Article L. 3444-1 of the French Labor Code, which have their 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 unit holders or shareholders are the individuals mentioned in (i) of this paragraph; (iii) and/or any bank or subsidiary thereof 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 located abroad to benefit from equivalent share ownership or savings schemes in respect of their economic advantages as those available to other employees of the Publicis Groupe. The par value of the capital increase authorized by this resolution plus the amount of any increase pursuant to the sixteenth resolution above may not exceed euro 2.8 million. This amount will count toward the maximum established in the thirteenth resolution of the General Shareholders' Meeting of May 29, 2012. The issue price per share will be established by the Management Board with a maximum discount of 20% of the average price over the 20 trading days immediately preceding the date of the decision setting the subscription price for the capital increase, or in the case of a capital increase taking place at the same time as a capital increase reserved for members of the savings plan, the subscription price of this capital increase (sixteenth resolution above). The General Meeting also authorized the Management Board to reduce or eliminate the discount at its discretion in order to reflect legal, accounting, tax and social benefit regimes that may exist locally. This delegation terminates the delegation granted by the General Meeting on May 29, 2012 in its twenty-first resolution, for the unused portion and the remaining time period.

This delegation expired on May 28, 2014, for the unused portion and the remaining time period, via a decision by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 28, 2014 in its twenty-first resolution. The Management Board did not use this delegation of authority.

It is noted that, where applicable, the par value of any additional shares to be issued in the event of new financial transactions intended to preserve the rights of equity security holders in accordance with legal and regulatory provisions and any contractual adjustment clauses will be added to the maximums set forth by the sixteenth and seventeenth resolutions above.

The Extraordinary General Shareholders' Meeting held on May 28, 2014

- 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, with preferential subscription rights. This delegation authorizes one or several issues of equity securities of the Company's subsidiaries in accordance with Article L. 228-93 of the French Commercial Code. The maximum par value of any immediate or future capital increases likely to be carried out under this delegation is euro 30 million. The maximum par value of any capital increases likely to be carried out under the delegations granted to the Management Board by this General Shareholders' Meeting in resolutions thirteen to eighteenth, and twentieth and twenty-first and by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 29, 2013 in resolutions thirteenth and fourteenth is euro 30 million. The maximum par value of debt securities that may be issued under this delegation may not exceed euro 1.2 billion. This amount applies to all debt securities that the Management Board is authorized to issue pursuant to these resolutions. This delegation terminates the delegation granted by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 29, 2012 in its thirteenth resolution, for the unused portion and the remaining time period.

  As of December 31, 2014, 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 (other than preferred shares) or other equity or debt securities, without preferential subscription rights, through a public offering. This delegation of authority authorizes one or several issues of equity securities of the Company's subsidiaries in accordance with Article L. 228-93 of the French Commercial Code. In addition, this resolution authorizes the issue of ordinary shares by the Company to cover the issuance of equity securities by the Company's subsidiaries. The maximum par value of any immediate or future capital increases likely to be carried out under this delegation may not exceed euro 9 million. This amount will count toward the overall maximum established in the thirteenth resolution, above. The maximum par value of debt securities may not exceed euro 1.2 billion. This amount applies to all debt securities that the Management Board is authorized to issue pursuant to these resolutions. This delegation terminates the delegation granted by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 29, 2012 in its fourteenth resolution, for the unused portion and the remaining time period.

  As of December 31, 2014, 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 (other than preferred shares) or other equity or debt securities, without preferential subscription rights, through an offer made in accordance with the provisions of paragraph II of Article L. 411-2 of the French Monetary and Financial Code. This delegation of authority authorizes one or several issues of equity securities of the Company's subsidiaries in accordance with Article L. 228-93 of the French Commercial Code. In addition, this resolution authorizes the issue of ordinary shares by the Company to cover the issuance of equity securities by the Company's subsidiaries. The maximum par value of any immediate or future capital increases under this delegation may not exceed euro 9 million. This value will count toward the maximum par value of all capital increases without preferential subscription rights authorized by this General Shareholders' Meeting in its fourteenth resolution, above, and toward the maximum established in the thirteenth resolution, above. The maximum par value of debt securities may not exceed euro 1.2 billion. This amount applies to all debt securities that the Management Board is authorized to issue pursuant to these resolutions. The issue of shares can be carried out through an offer made pursuant to paragraph II of Article L. 411-2 of the French Monetary and Financial Code up to a maximum of 20% of the Company's share capital per year. This delegation terminates the delegation granted by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 29, 2012 in its fifteenth resolution, for the unused portion and the remaining time period.

  As of December 31, 2014, 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 implement capital increases by incorporating reserve, earnings, premiums or other sums that may be capitalized in accordance with the law and bylaws, followed by the issue and granting of free shares or increases in the par value of existing shares, or a combination of the two. The maximum par value of capital increases resulting from all issues under this resolution must not exceed euro 30 million. This amount will count toward the overall

maximum established in the thirteenth resolution, above. This delegation terminates the delegation granted by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 29, 2012 in its seventeenth resolution, for the unused portion and the remaining time period.

As of December 31, 2014, the Management Board had not used this delegation of authority.

- In its seventeenth resolution, it authorized the Management Board, for a period of 26 months, to issue shares or other securities, including 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 market in accordance with Article L. 225-148 of the French Commercial Code, or any other such transaction having the same effect involving another company whose shares are traded on a market regulated by foreign law. The resolution also provided for the elimination, if necessary, of the preferential subscription rights attached to such securities. The maximum par value of any immediate or future capital increases under this delegation may not exceed euro 9 million. This value will count toward the maximum par value of all capital increases without preferential subscription rights authorized by this General Shareholders' Meeting in its fourteenth resolution, above, and toward the maximum established in the thirteenth resolution, above. This delegation terminates the delegation granted by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 29, 2012 in its eighteenth resolution, for the unused portion and the remaining time period.

  As of December 31, 2014, the Management Board had not used this delegation of authority.

- 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 close of the initial offer subscription period, by up to a maximum of 15% of the initial issue and at the same price as the initial issue. The par value of the capital increases issued under this delegation will count toward the maximum set forth under the resolution on the basis of which the initial capital increase is carried out and toward the overall maximum set forth by this General Meeting in its thirteenth resolution. This delegation terminates the delegation granted by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 29, 2012 in its nineteenth resolution, for the unused portion and the remaining time period.

  As of December 31, 2014, the Management Board had not used this delegation of authority.

- In its nineteenth resolution, pursuant to Articles L. 225-197-1 *et seq.* of the French Commercial Code, it authorized the Management Board to grant free ordinary shares of the Company, either existing or to be issued, on one or more occasions, over a period of 38 months, to salaried employees or categories of salaried employees of its choosing and/or eligible corporate officers of its choosing (within the meaning of Article L. 225-197-1 II paragraph 1 of the French Commercial Code) of the Company or of companies in France or abroad or economic interest groups affiliated to it under the provisions of Article L. 225-197-2 of the French Commercial Code. The total number of Company shares that may be awarded for free may not exceed 5% of the share capital of the Company. This amount counts, where applicable, toward the 3% maximum mentioned in the fifteenth resolution (options for the purchase of new and/or existing shares) of the Combined Ordinary and Extraordinary Shareholders' Meeting of May 29, 2013 or in a subsequent authorization. Some or all of the shares awarded under this authorization are subject to two performance conditions set by the Management Board when awarding them. The Management Board may, if necessary, award shares that are not subject to performance conditions, as part of an award for all employees. The share awards made under this authorization may, in accordance with the law, be made to eligible corporate officers of the Company, provided that (i) the vesting of the awarded shares is subject to two performance conditions set by the Management Board when awarding them and measured over a period of three years, and that (ii) the shares awarded to these corporate officers do not represent more than 0.5% of the share capital of the Company as it was on the date the decision to award the shares was made by the Management Board (subject to any aforementioned adjustments), which will count toward the aforementioned maximum of 5% of the share capital and the 0.5% maximum mentioned in the fifteenth resolution (options for the purchase of new and/or existing shares) of the Combined Ordinary and Extraordinary Shareholders' Meeting of May 29, 2013 or in a subsequent authorization. Free shares granted to members of the Management Board shall be first approved by the Supervisory Board, which will set the minimum holding period in accordance with Article L. 225-197-1, II paragraph 4 of the French Commercial Code. This authorization terminates the authorization granted by the Combined Ordinary and Extraordinary Shareholders' Meeting of June 7, 2011 in its twenty-second resolution, for the unused portion and the remaining time period.

  As of December 31, 2014, the Management Board had not used this delegation of authority.

- In its twentieth resolution, pursuant to Articles L. 3332-1 *et seq.* of the French Labor Code and Article L. 225-138-1 of the French Commercial Code and in accordance with the provisions of Article L. 225-129-2 and L. 225-129-6 of the same Code, it authorized the Management Board to increase the share capital over a period of 26 months by issuing shares or other equity securities, without preferential subscription rights, to participants in an employee savings plan of the Company and related companies in France and abroad under the provisions of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labor Code. The maximum par value of the capital increase authorized by this resolution plus the amount of any increase pursuant to the twenty-first resolution below may not exceed euro 2.8 million. This amount will count toward the maximum established in the thirteenth resolution of this Shareholders' Meeting. The subscription price will be established under the provisions of Article L. 3332-19 of the French Labor Code, with a discount not to exceed 20% of the average price over the 20 trading sessions immediately preceding the date of the decision setting the date on which the subscription period begins. The General Meeting also authorized the Management Board to reduce or eliminate the discount at its discretion in order to reflect legal, accounting, tax and social benefit regimes that may exist locally. The Management Board may also decide to grant free shares, either existing or to be issued, or other equity securities, either existing or to be issued, when necessary, for the discount, provided that their monetary value established at the subscription price is taken into consideration and does not cause the limits set in Articles L. 3332-19 and L. 3332-11-12-13 of the French Labor Code to be surpassed, and that the characteristics of any other equity securities are decided upon by the Management Board under the provisions of applicable regulations. This delegation terminates the delegation granted by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 29, 2013 in its sixteenth resolution, for the unused portion and the remaining time period.

As of December 31, 2014, the Management Board had not used this delegation of authority.

- In its twenty-first resolution, pursuant to Articles L. 225-129 *et seq.* and Article L. 225-138 of the French Commercial Code, it authorized the Management Board to increase the share capital over a period of 18 months in the proportions and at such times as it deems appropriate through the issue of shares and any other equity securities immediately or in the future, without preferential subscription rights. The beneficiaries of subscription rights must be: (i) employees and corporate officers of companies of the Publicis Groupe affiliated to the Company under the provisions of Article L. 225-180 of the French Commercial Code and Article L. 3444-1 of the French Labor Code, which have their 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 unit holders or shareholders are the individuals mentioned in (i) of this paragraph; (iii) and/or any bank or subsidiary thereof 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 located abroad to benefit from equivalent share ownership or savings schemes in respect of their economic advantages as those available to other employees of the Publicis Groupe. The par value of the capital increase authorized by this resolution plus the amount of any increase pursuant to the twentieth resolution above may not exceed euro 2.8 million. This amount will count toward the maximum established in the thirteenth resolution of this Shareholders' Meeting. The issue price per share will be established by the Management Board with a maximum discount of 20% of the average price over the 20 trading days immediately preceding the date of the decision setting the subscription price for the capital increase, or in the case of a capital increase taking place at the same time as a capital increase reserved for members of the savings plan, the subscription price of this capital increase (twentieth resolution above). The General Meeting also authorized the Management Board to reduce or eliminate the discount at its discretion in order to reflect legal, accounting, tax and social benefit regimes that may exist locally. This delegation terminates the delegation granted by the General Shareholders' Meeting of May 29, 2013 in its seventeenth resolution, for the unused portion and the remaining time period.

  As of December 31, 2014, the Management Board had not used this delegation of authority.

It is noted that, where applicable, for the thirteenth to eighteenth resolutions and the twentieth and twenty-first of this Shareholders' Meeting, the par value of any additional shares to be issued in the event of new financial transactions intended to preserve the rights of equity security holders, and, where applicable, for the fourteenth to eighteenth resolutions and the twentieth and twenty-first of this Shareholders' Meeting, the maximums set forth by similar subsequent resolutions will be added to the maximums set forth by the resolutions above, provided that said authorizations are still valid.

TABLE OF DELEGATIONS OF AUTHORITY AND AUTHORIZATIONS GRANTED TO THE MANAGEMENT BOARD

Type of delegation or authorization	Date of the meeting	Duration of the authorization	Amount authorized	Use in 2014
Authorization to grant free shares to employees and corporate officers of the Company or companies within the Group	June 7, 2011 (22nd resolution)	38 months Expired by General Shareholders' Meeting of 05/28/2014 (19th resolution)	No more than 5% of capital(1)	Total of 639,750 new free shares
Delegation to increase capital by issuing shares or other equity securities with preferential subscription rights	May 29, 2012 (13th resolution)	26 months Expired by General Shareholders' Meeting of 05/28/2014 (13th resolution)	Maximum par value: €35,000,000(1) Maximum par value of debt securities: €1,200,000,000(2)	None
Delegation to increase capital by issuing shares or equity securities without preferential subscription rights through a public offering	May 29, 2012 (14th resolution)	26 months Expired by General Shareholders' Meeting of 05/28/2014 (14th resolution)	Maximum par value: €14,000,000(1)(3) Maximum par value of debt securities: €1,200,000,000(2)	None
Delegation to increase capital by issuing shares or equity securities without preferential subscription rights through an offer made pursuant to paragraph II of Article L. 411-2 of the French Monetary and Financial Code	May 29, 2012 (15th resolution)	26 months Expired by General Shareholders' Meeting of 05/28/2014 (15th resolution)	No more than 20% of capital Maximum par value: €14,000,000(1)(3) Maximum par value of debt securities: €1,200,000,000(2)	None
Delegation to increase capital by incorporating reserves, earnings, premiums or other sums	May 29, 2012 (17th resolution)	26 months Expired by General Shareholders' Meeting of 05/28/2014 (16th resolution)	Maximum par value: €35,000,000(1)	None
Delegation to issue securities in the event of a public offering initiated by the Company	May 29, 2012 (18th resolution)	26 months Expired by General Shareholders' Meeting of 05/28/2014 (17th resolution)	Maximum par value: €14,000,000(1)(3)	None

(1) This amount counts toward the €35,000,000 maximum for all capital increases set forth by the Extraordinary General Meeting on May 29, 2012 in its thirteenth resolution.
(2) This amount applies to all debt securities that the Management Board is authorized to issue under the resolutions of the Extraordinary General Meeting on May 29, 2012.
(3) This amount counts toward the €14,000,000 maximum par value of capital increases without preferential subscription rights set forth by the Extraordinary General Meeting on May 29, 2012 in its fourteenth resolution.

Type of delegation or authorization	Date of the meeting	Duration of the authorization	Amount authorized	Use in 2014
Authorization to increase the number of securities issued in the event of an increase in the Company's capital, with or without preferential subscription rights	May 29, 2012 (19th resolution)	26 months Expired by General Shareholders' Meeting of 05/28/2014 (18th resolution)	No more than 15%(1)(4) of the initial issue and at the same price as this issue. Subject to compliance with the ceiling set forth under the corresponding resolution	None
Authorization to trade in the Company's shares	May 29, 2013 (11th resolution)	18 months Expired by General Shareholders' Meeting of 05/28/2014 (12th resolution)	No more than 10% of capital Overall maximum: €1,365,000,000 Maximum share purchase price: €65	Any use during 2014 is recorded under the similar delegation granted by the General Shareholders' Meeting of 05/28/2014 (12th resolution listed below)
Authorization to reduce share capital through the cancellation of treasury shares	May 29, 2013 (12th resolution)	26 months Expires: 07/29/2015	No more than 10% of capital over a period of 24 months	None
Authorization to increase the capital without preferential subscription rights with the option to set the issue price	May 29, 2013 (13th resolution)	26 months Expires: 07/29/2015	Within the limits set by the 13th, 14th, and 15th resolutions of the Extraordinary Shareholders' Meeting of May 29, 2012(1)(4)(5)	None
Delegation to issue securities as consideration for contributions in-kind granted to the Company	May 29, 2013 (14th resolution)	26 months Expires: 07/29/2015	No more than 10% of capital(1)(4)	None
Authorization to grant stock options to employees and/or corporate officers	May 29, 2013 (15th resolution)	38 months Expires: 07/29/2016	No more than 3% of capital(6) Maximum of 0.5% of capital for corporate officers(7)	None
Delegation to increase capital for the benefit of Group employees	May 29, 2013 (16th resolution)	26 months Expired by General Shareholders' Meeting of 05/28/2014 (20th resolution)	Maximum par value: €2,800,000(1)(2)	None
Delegation to increase capital for the benefit of certain categories of recipients located outside France in order to establish a shareholder or savings plan for them	May 29, 2013 (17th resolution)	18 months Expired by General Shareholders' Meeting of 05/28/2014 (21th resolution)	Maximum par value: €2,800,000(1)(3)	None

(1) This amount counts toward the €35,000,000 maximum for all capital increases set forth by the Extraordinary General Shareholders' Meeting of May 29, 2012 in its thirteenth resolution, until the Extraordinary General Shareholders' Meeting of May 28, 2014. For the following resolutions, this amount counts toward the €30,000,000 maximum for all capital increases set forth by the Extraordinary General Shareholders' Meeting of May 28, 2014 in its thirteenth resolution.

(2) This amount counts toward the total capital increase possible under the resolution below.

(3) This amount counts toward the total capital increase possible under the resolution above.

(4) This amount counts toward the €14,000,000 maximum par value of capital increases without preferential subscription rights set forth by the Extraordinary General Shareholders' Meeting of May 29, 2012 in its fourteenth resolution, until the Extraordinary General Shareholders' Meeting of May 28, 2014. For the following resolutions, this amount counts toward the €9,000,000 maximum par value of capital increases without preferential subscription rights set forth by the Extraordinary General Shareholders' Meeting of May 28, 2014 in its fourteenth resolution.

(5) This amount counts toward the €14,000,000 maximum par value of capital increases without preferential subscription rights set forth by the Extraordinary General Shareholders' Meeting of May 29, 2012 in its fourteenth or fifteenth resolution, depending on whether it involves a public offering or an offer made pursuant to paragraph II of Article L. 411-2 of the French Monetary and Financial Code, until the Extraordinary General Shareholders' Meeting of May 28, 2014. As from the Extraordinary General Shareholders' Meeting of May 28, 2014, this amount counts toward the €9,000,000 maximum par value of capital increases without preferential subscription rights set forth by said Shareholders' Meeting.

(6) This maximum will count toward the 5% maximum set forth by the Extraordinary General Shareholders' Meeting of June 7, 2011 in its twenty-second resolution until May 28, 2014, the expiration date of the authorization provided for under the nineteenth resolution of the Extraordinary General Shareholders' Meeting of May 28, 2014.

(7) This maximum will count toward the 3% maximum set under this resolution.

Type of delegation or authorization	Date of the meeting	Duration of the authorization	Amount authorized	Use in 2014
Authorization to trade in the Company's shares	May 28, 2014 (12th resolution)	18 months Expires: 11/28/2015	No more than 10% of capital Overall maximum: €1,836,200,000 Maximum share purchase price: €85	Liquidity contract: acquisition of 1,251,497 shares (average purchase price of €58.73) and sale of 1,267,167 shares (average sale price of €59.18). Sale of 848,065 shares to stock option recipients. Delivery of 4,170 free shares. Delivery of 562,921 shares (conversion of Océane 2018) and 109,924 shares (redemption of Orane 2009-2013)
Delegation to increase capital by issuing shares or other equity securities with preferential subscription rights	May 28, 2014 (13th resolution)	26 months Expires: 07/28/2016	Maximum par value: €30,000,000(a) Maximum par value of debt securities: €1,200,000,000(b)	None
Delegation to increase capital by issuing shares or equity securities without preferential subscription rights through a public offering	May 28, 2014 (14th resolution)	26 months Expires: 07/28/2016	Maximum par value: €9,000,000(a)(c) Maximum par value of debt securities: €1,200,000,000(b)	None
Delegation to increase capital by issuing shares or equity securities without preferential subscription rights through an offer made pursuant to paragraph II of Article L. 411-2 of the French Monetary and Financial Code	May 28, 2014 (15th resolution)	26 months Expires: 07/28/2016	No more than 20% of capital Maximum par value: €9,000,000(a)(c) Maximum par value of debt securities: €1,200,000,000(b)	None
Delegation to increase capital by incorporating reserves, earnings, premiums or other sums	May 28, 2014 (16th resolution)	26 months Expires: 07/28/2016	Maximum par value: €30,000,000(a)	None
Delegation to issue securities in the event of a public offering initiated by the Company	May 28, 2014 (17th resolution)	26 months Expires: 07/28/2016	Maximum par value: €9,000,000(a)(c)	None
Authorization to increase the number of securities issued in the event of an increase in the Company's capital, with or without preferential subscription rights	May 28, 2014 (18th resolution)	26 months Expires: 07/28/2016	No more than 15%(a)(c) of the initial issue and at the same price as this issue. Subject to compliance with the ceiling set forth under the corresponding resolution.	None
Authorization to grant free shares to employees and/or corporate officers of the Company or companies within the Group	May 28, 2014 (19th resolution)	38 months Expires: 07/28/2017	No more than 5% of capital(d) Maximum of 0.5% of capital for corporate officers(e)(f)	None
Delegation to increase capital for the benefit of Group employees	May 28, 2014 (20th resolution)	26 months Expires: 07/28/2016	Maximum par value: €2,800,000(a)(g)	None
Delegation to increase capital for the benefit of certain categories of recipients located outside France in order to establish a shareholder or savings plan for them	May 28, 2014 (21st resolution)	18 months Expires: 11/28/2015	Maximum par value: €2,800,000(a)(h)	None

(a) This amount counts toward the €30,000,000 maximum for all capital increases set forth by the Extraordinary General Shareholders' Meeting of May 28, 2014 in its thirteenth resolution.

(b) This amount applies to all debt securities that the Management Board is authorized to issue under the resolutions of the Extraordinary General Shareholders' Meeting of May 28, 2014.

(c) This amount counts toward the €9,000,000 maximum par value of capital increases without preferential subscription rights set forth by the Extraordinary General Shareholders' Meeting of May 28, 2014 in its fourteenth resolution.

(d) This amount counts toward the 3% maximum set forth by the Extraordinary Shareholders' Meeting of May 29, 2013 in its fifteenth resolution (options for the purchase of new and/or existing shares).

(e) This maximum counts toward the 5% maximum set forth under this resolution.

(f) This maximum counts toward the 0.5% maximum set forth by the Extraordinary Shareholders' Meeting of May 29, 2013 in its fifteenth resolution.

(g) This amount counts toward the total capital increase possible under the resolution below.

(h) This amount counts toward the total capital increase possible under the resolution above.

6.3.2 EXISTENCE OF NON-REPRESENTATIVE SHARES, THEIR AMOUNT AND MAIN FEATURES

All shares are representative of the Company's share capital.

6.3.3 NUMBER, BOOK VALUE AND PAR VALUE OF SHARES HELD BY THE ISSUER ITSELF OR ON ITS BEHALF, OR BY ITS SUBSIDIARIES

TREASURY SHARES

The Combined Ordinary and Extraordinary General Shareholders' Meeting of May 28, 2014, in its twelfth resolution, authorized the Management Board to carry out, or to have carried out, purchases in order to fulfill the following objectives:

(1) the grant or transfer of shares to employees and/or corporate officers of the Company and/or of the Group in accordance with the provisions of the applicable regulations;

(2) delivery of shares in order to honor commitments related to securities giving access to the capital;

(3) retention and later delivery of shares (pursuant to an exchange, payment or other transaction) or within the framework of external growth transactions within the limit of 5% of share capital;

(4) stimulation of activity or liquidity on the secondary market of Publicis Groupe 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 agreement, which complies with the Code of Ethics recognized by the *Autorité des marchés financiers* (the French Financial Markets Authority, or AMF) or any other applicable regulations;

(5) canceling of shares acquired by the aforementioned methods;

(6) implementation of any market practices allowed at present or in the future 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 Company may purchase shares, sell shares it has bought back or transfer such shares at any time and by any method that complies with the regulations in effect, namely by purchase or sale on the stock exchange or by private sale, including through the purchase or sale of blocks (without restricting the portion of the program that may be carried out via this method); public purchase, sale or exchange offer; alternative funding mechanisms; derivatives traded on a regulated market or by private sale; or repurchase agreements; either directly or indirectly via an investment services provider; the Company may also retain the shares bought back and/or cancel them, subject to the approval of the General Meeting, ruling on an extraordinary basis in accordance with any applicable regulations.

The maximum number of shares that may be repurchased cannot exceed 10% of the number of shares in the share capital, at any time, this percentage applying to the capital adjusted to reflect transactions affecting it following the meeting having voted in favor, this authorization being subject to an overall maximum of euro one billion, eight hundred and thirty-six million two hundred thousand (euro 1,836,200,000).

The maximum share purchase price was set at euro 85; this limit does not apply, however, to shares purchased to cover the free allocations of shares to employees or the exercise of stock options.

This authorization for a period of eighteen months expired – for the unused portion and the remaining time period – and replaced that previously granted by the eleventh resolution of the General Shareholders' Meeting on May 29, 2013.

The description of the share buyback program was made available on the Publicis Groupe SA website.

SUMMARY TABLE OF PURCHASES UNDER VARIOUS BUYBACK PROGRAMS SINCE 2010

	Amount	Average acquisition price (in euros)
Period from 01/01/2010 to 12/31/2010	12,710,327	29.86
Period from 01/01/2011 to 12/31/2011	2,339,802	36.64
Period from 01/01/2012 to 12/31/2012	18,389,396	35.91
Period from 01/01/2013 to 12/31/2013	4,770,687	48.93
Period from 01/01/2014 to 12/31/2014	**1,251,497**	**58.73**

Under the liquidity agreement signed with Kepler Cheuvreux, the Company acquired 1,251,497 shares in 2014 at an average price of euro 58.73, and sold 1,267,167 shares at an average price of euro 59.18.

In 2014, the Company sold 848,065 treasury shares to the recipients of stock options who exercised their purchase options during the year and released 4,170 shares under free share plans. The Company also delivered 562,921 shares following the conversion of Océane 2018 and 109,924 shares as part of the compensation paid to Orane holders for the adjustemnt to Orane redemptions between 2009 and 2013.

The trading fees and other expenses incurred by the Company during 2014 for transactions performed pursuant to the share buyback program authorized by the eleventh resolution of the General Shareholders' Meeting on May 29, 2013, and then by the twelfth resolution of the General Shareholders' Meeting on May 28, 2014, amounted to euro 70,000.

As at December 31, 2014, Publicis Groupe SA owned 7,895,366 shares (3.57%) of its own capital under various buyback authorizations, at a total cost of euro 320,393,367 and an average price per share of euro 40.58.

On March 17, 2015, Élisabeth Badinter, with her family group, sold 2,406,873 Publicis Groupe SA shares to the Company for a total of euro 175,775,861, *i.e.* euro 73.0308 per share, representing a 2% discount to the weighted average share price for the five trading days preceding this date and a 4.5% discount to the closing share price on March 16, 2015. These shares were allocated to the hedging of debt securities providing access to share capital and in particular for the redemption of Oranes 2022.

6.3.4 AMOUNT OF CONVERTIBLE OR EXCHANGEABLE SECURITIES OR SECURITIES ACCOMPANIED BY WARRANTS, WITH MENTION OF THE TERMS AND CONDITIONS FOR CONVERSION, EXCHANGE OR SUBSCRIPTION

The allocation of share capital as at December 31, 2014, on the basis of full dilution resulting from financial instruments issued by the Company, is the following:

At December 31, 2014	Shares held	%	Voting rights	%
Élisabeth Badinter	19,172,340	8.12%	38,344,680	14.95%
Treasury shares held	7,895,366	3.35%	0	0.00%
Public (registered and bearer)	194,136,151	82.23%	203,285,039	79.25%
Oranes(1)	12,684,488	5.37%	12,684,488	4.94%
Equity warrants(2)	2,203,033	0.93%	2,203,033	0.86%
TOTAL	**236,091,378**	**100.00%**	**256,517,240**	**100.00%**

(1) As at December 31, 2014, each Orane gives the right to 8.12 shares upon redemption.
(2) Securities in-the-money as of the date of the closing of the 2014 accounts (price at February 5, 2015: €67.94).

A shareholder holding 1% of the share capital of Publicis Groupe SA as at December 31, 2014 would hold 0.94% of the share capital of Publicis Groupe SA at that date, in case of exercise or conversion of rights attached to securities giving access to the capital (Oranes and equity warrants) assuming these rights would be fully satisfied by the issue of new shares.

The terms of conversion, exchange and subscription of convertible and exchangeable securities and warrants are described in Note 24 to the consolidated financial statements in Section 4.6 of this document.

6.3.5 PLEDGES, GUARANTEES AND SURETIES

There is no indirect self-control of the Company. As at December 31, 2014, 539,000 registered shares managed by the Company, and 140 registered shares administered by others, were pledged, representing a total of 539,140 pledged shares.

PRINCIPAL PLEDGE

Name of pure 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 at December 31, 2014
Consorts Badinter	LCF Edmond de Rothschild	09/09/2003	Not indicated	Agreement of creditor lienor	509,000	0.002%

No major asset held by Group companies was subject to a pledge.

6.3.6 EMPLOYEE SHAREHOLDING

Employees' interests in the share capital through the Company savings plans, and according to the definition of Article L. 225-102 of the French Commercial Code as at December 31, 2014 were not significant.

It should be noted that the Publicis Groupe FCPE held 438,402 Publicis Groupe shares as at December 31, 2014. As a result, Publicis Groupe employees owned 0.20% of the share capital via the FCPE at that date.

As at December 31, 2014, the total number of options outstanding for all beneficiaries was 6,445,188, including 842,977 share purchase options that are immediately exercisable and 5,602,211 subscription or purchase options that are still vesting.

The Group renewed its Long Term Incentive Plan with the "LTIP 2014." In March 2014, this plan awarded 639,750 free shares to a certain number of Group managers, under two conditions. First, these shares are subject to the condition that employment continues throughout the four-year vesting period, except for French nationals who have a shorter, three-year vesting period, but are subject to an additional two-year lock-in period. Furthermore, the shares are subject to performance criteria, so that the total number of shares received will depend on the growth and profitability objectives attained in 2014.

The "LTIP 2013-2015" free share award plan, which was set up in June 2013 for the sole benefit of the members of the Management Board, provides for the award of 105,000 shares in total following a three-year period (2013, 2014 and 2015), subject to performance conditions (growth and profitability targets). No free shares were granted to the members of the Management Board during the 2014 fiscal year.

As at December 31, 2014, the total number of free shares yet to vest to Group employees on condition of employment, and performance, in some cases, amounted to 3,262,862.

All the details concerning the option and free share plans (description, changes for the year, and closing balance) are shown in Note 28 of the consolidated financial statements in Section 4.6 of this document.

6.3.7 SHARE CAPITAL TRANSACTIONS

Changes regarding the share capital in the last three years are shown below:

Dates	Share capital transactions	Number of shares	Par value	Share capital
12/31/2011	**CAPITAL AS AT DECEMBER 31, 2011**	**193,357,945**	**0.40**	**77,343,178**
02/17/2012	Capital reduction (partial cancellation of shares bought back from Dentsu)	(10,759,813)	0.40	(4,303,925)
04/11/2012 05/10/2012 06/11/2012 07/10/2012 07/30/2012	Capital increases (conversion of Océane 2014 into new shares)	25,848,473	0.40	10,339,389
09/01/2012	Capital increase (8th tranche of Orane redemption)	1,562,129	0.40	624,852
12/31/2012	**CAPITAL AS AT DECEMBER 31, 2012**	**210,008,734**	**0.40**	**84,003,494**
04/11/2013 08/19/2013 09/22/2013 12/02/2013	Capital increases (delivery of free shares)	292,076	0.40	116,830
07/05/2013	Capital increase (dividend payment in shares)	1,361,502	0.40	544,600
09/02/2013	Capital increase (9th tranche of Orane redemption)	1,562,129	0.40	624,852
09/30/2013 10/31/2013 11/30/2013 12/13/2013 12/31/2013	Capital increases (exercise of equity warrants)	2,798,937	0.40	1,119,575
12/31/2013	**CAPITAL AS AT DECEMBER 31, 2013**	**216,023,378**	**0.40**	**86,409,351**
01/31/2014 02/28/2014 03/31/2014 04/30/2014 05/31/2014 06/30/2014 07/31/2014 08/31/2014 09/30/2014 10/31/2014 12/31/2014	Capital increases (exercise of equity warrants)	684,773	0.40	273,909
05/01/2014 08/19/2014 09/22/2014 12/01/2014	Capital increases (delivery of free shares)	815,623	0.40	326,249
07/03/2014	Capital increase (dividend payment in shares)	2,094,672	0.40	837,869
09/17/2014	Capital increase (10th tranche of Orane redemption)	1,585,411	0.40	634,165
12/31/2014	**CAPITAL AS AT DECEMBER 31, 2014**	**221,203,857**	**0.40**	**88,481,543**

6.4 Stock market information

6.4.1 THE TRADING OF PUBLICIS GROUPE SHARES

Contrasting situations were observed in 2014, with the United States performing better than expected, Europe struggling to return to growth and an uneven performance for emerging economies with big winners such as India and major disappointments in Brazil and Russia.

At the beginning of the year, the escalation of conflict leading to the annexation of Crimea by Russia worried investors who feared further deterioration of the economic outlook. In spite of the escalation of conflicts at the European borders, the markets recovered by the end of February, driven by improved growth prospects for the North American economy and by the ECB contemplating quantitative easing, an unconventional policy. During the summer, the US and European markets began to diverge, the former benefiting from the confidence induced by the confirmation of a strong economy, a lower unemployment rate and the prospect of a gradual end to quantitative easing, while the latter was negatively impacted by the Espirito Santo bank failure, which proved that concerns about European banks remain valid. The rapid and coordinated intervention of the Portuguese government, the European Union and the IMF helped prevent further deterioration. In September, there was a renewed market optimism thanks to the ECB lowering its key interest rate followed by further measures such as the establishment of a comprehensive quantitative easing plan and the TLTRO aimed at easing the credit crunch in Europe. In October new concerns about the growth of the world economy, exacerbated by the fear of a recession in Germany, Europe's largest economy, and a French deficit forecast of 4.4% of GDP, once again tipped the market. This short episode was overridden by continued optimism from overseas. Lastly, the end of the year was marked by the collapse of oil prices and the ruble that soon followed, the Russian economy already penalized by Western economic sanctions rekindling investors' concerns and distressing world markets. However, the Dow posted a record close on December 23, 2014, the SXME index rose by 7.42% and the CAC 40 ended the 2014 down by 0.54%.

Positive factors that enable Publicis Groupe to look at the year ahead with confidence are: its position as the digital world leader, with the digital business at 42% of total Group revenue in 2014 and expected to reach 50% in 2015 through the acquisition of Sapient on February 6, three years earlier than the targets set for 2018 in terms of the contribution of digital advertising to Group revenue and the good performance of the North American market (50% of revenues).

6.4.2 INVESTOR RELATIONS

During 2014, the Group pursued its relationship with all the main actors in the marketplace. Over the year, the Group's directors held private meetings with circa 600 institutional investors, in France, the United Kingdom and the United States. Publicis Groupe also participated in several major sector conferences in Barcelona, the United States and London, as well as in international conferences aimed at promoting French listed companies, held in Paris and London.

6.4.3 SECURITIES MARKET

The following information regarding the shares and financial instruments comes from the Euronext and Bloomberg websites.

PUBLICIS GROUPE SHARES

- Listed on: Euronext Paris (code ISIN/FR0000130577);
- First day listed: June 9, 1970;
- Shares listed on Euronext Paris: all of the shares comprising the share capital.

On December 27, 2007, Publicis Groupe SA was informed that Publicis Groupe SA shares were now no longer listed on the New York Stock Exchange. This delisting followed the Company's notification on September 17, 2007 of the US market authorities that it no longer wanted Publicis Groupe SA shares listed on the New York Stock Exchange (listed in the form of American Depositary Receipt; ratio: one ADR for every one Publicis share), with average annual trading volumes rarely exceeding 1% of all shares in the share capital.

By default, the share can be traded on the New York Stock Exchange OTCQX market as and American Depositary Receipt, ratio: four ADRs for one Publicis share (ticker: PUBGY). The OTCQX is a platform that includes over 383 companies from 27 different countries. This platform is an information tool that provides access to US investors, while guaranteeing price transparency.

Changes in the trading price on Euronext Paris during 2014:

- highest: euro 70.37 on February 11, 2014;
- lowest: euro 49.62 on October 16, 2014;
- average price: euro 60.2305.

TRANSACTION VOLUMES AND CHANGES IN COMPANY SHARE PRICES DURING THE LAST EIGHTEEN MONTHS ON EURONEXT PARIS

			Average volumes traded per session(1)		Monthly price (in euros)			
Period		Number of sessions	Number of securities	Capital (in thousands of euros)	First listing	Last listing	Highest	Lowest
2013	September	21	688,595	40,994	56.78	58.82	62.16	56.75
	October	23	654,996	38,804	59.09	61.43	61.59	56.55
	November	21	748,286	47,947	61.43	65.06	65.96	61.27
	December	20	709,805	45,257	64.95	66.51	66.51	61.39
2014	January	22	750,136	49,603	66.60	65.78	68.23	63.86
	February	20	911,185	61,211	65.75	68.80	70.37	64.08
	March	21	654,538	42,963	68.04	65.58	68.29	63.31
	April	20	871,895	54,354	65.71	61.40	65.99	59.61
	May	21	934,152	56,842	61.42	63.28	63.60	58.55
	June	21	596,224	37,006	63.39	61.94	64.15	60.46
	July	23	745,696	43,243	62.01	54.35	62.33	54.00
	August	21	555,462	30,579	54.22	56.70	58.05	53.15
	September	22	580,532	32,467	56.76	54.37	58.53	53.02
	October	23	945,261	49,738	54.10	55.27	55.58	49.62
	November	20	688,640	38,880	54.00	59.06	59.08	52.10
	December	21	623,967	36,789	58.79	59.64	60.78	56.15
2015	January	21	815,936	51,134	59.85	66.43	67.97	57.34
	February	20	661,508	46,096	66.33	72.87	73.23	65.77

(1) Volumes traded on Euronext (excluding alternative platforms).

BONDS RELATED TO PUBLICIS GROUPE WARRANTS (BSA)

- Listed on: Euronext Paris (ISIN code: FR0000312928);
- First day listed: September 25, 2002;
- Changes in the trading price on Euronext Paris during the last 18 months:
  - highest: euro 40.70 on February 11, 2014,
  - lowest: euro 20.03 on October 16, 2014,
  - average price: euro 30.7165 for 2014.

As at December 31, 2,170,476 warrants, exercisable until 2022, were outstanding.

ORANE PUBLICIS GROUPE

- Listed on: Euronext Paris (ISIN code: FR0000187783);
- First day listed: September 24, 2002;

- Duration: 20 years.

The Orane are redeemable in Publicis Groupe shares (each Orane initially giving entitlement to 18 Publicis Groupe shares), at a rate of 1.015 per annum for the maturities from September 1, 2014 to September 1, 2022.

- Changes in the trading price on Euronext Paris during the last 18 months:
  - highest: euro 632.000 on February 17, 2014,
  - lowest: euro 381.01 on October 14, 2014,
  - average price: euro 507.40.

Bond Publicis Groupe 4.25% 2015 (issued following the exchange offer for the Eurobond 4.125% 2012)

- Listed on: Luxembourg Stock exchange (ISIN code: FR0010831974);
- First day listed: December 17, 2009;
- Changes in the trading price on Luxembourg Stock Exchange during 2014:
  - highest: euro 104.271 on January 2, 2014,
  - lowest: euro 100.869 on December 31, 2014,
  - average price: euro 102.7229.

Eurobond issued in two tranches on December 9, 2014 with maturity in 2021 and 2024

Bond issue as part of a placement of euro 1.3 billion in two tranches:

- Listed on: Euronext Paris;
- First day listed: December 11, 2014;
- Changes in the trading price on Euronext Paris from December 11 to December 31, 2014:
  - euro 700 million tranche maturing on December 16, 2021, with an annual coupon of 1.125% (ISIN code: FR0012384634),
  - highest: euro 100.921 on December 30, 2014,
  - lowest: euro 99.765 on December 12, 2014,
  - average price: euro 100.3972,
  - euro 600 million tranche maturing on December 16, 2024, with an annual coupon of 1.625% (ISIN code: FR0012384667),
  - highest: euro 101.325 on December 30, 2014,
  - lowest: euro 96.653 on December 12, 2014,
  - average price: euro 100.6411.

GENERAL SHAREHOLDERS' MEETING

The Combined Annual Ordinary and Extraordinary General Shareholders' Meeting will take place on May 27, 2015 at Publicis Cinémas, 133, avenue des Champs-Élysées, Paris 8, France.

Prior to this meeting, the legal documents and information will be communicated to shareholders, in accordance with the applicable laws, and notably by electronic consultation on the Publicis website.

ADDITIONAL INFORMATION

8.1 Documents on display

During the validity of this document, the Company's bylaws, minutes of the General Shareholders' Meetings, as well as reports of the Management Board and the auditors, and all other documents addressed or available to shareholders as required by law are available at the registered office of Publicis Groupe SA, 133, avenue des Champs-Élysées, 75008 Paris.

The Company bylaws are also available on the Publicis Groupe's website (www.publicisgroupe.com).

The parent company's financial statements and the consolidated financial statements of Publicis Groupe SA for the fiscal years ending December 31, 2013 and December 31, 2014 are available at the registered office of the Company according to the laws and regulations in effect. They are also available on the Publicis Groupe website (www.publicisgroupe.com and www.publicisgroupe.com/ir) and on the website of the French Regulatory Authority (www.amf-france.org).

Furthermore, historical financial information for any direct or indirect subsidiary of the Company for the years ending December 31, 2013 and December 31, 2014 is available at the registered office of such subsidiary, as required by relevant laws and regulations.

8.2 Registration Document responsibility and declaration

8.2.1 RESPONSIBILITY FOR THE REGISTRATION DOCUMENT

Maurice Lévy, Chairman of the Management Board of Publicis Groupe SA (''the Company'').

8.2.2 DECLARATION OF THE PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

I confirm, having exercised due diligence in this regard, that, to the best of my knowledge, the information in this Registration Document is true and contains no material omission.

I also confirm that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and provide a true and fair view of the Company's assets, financial position and profit, as well as those of its consolidated subsidiaries, and that the management report, the various components of which are indicated in the cross-referencing table in Section 8.6, provides a fair view of the progress of the business, results and financial position of the Company and all its consolidated subsidiaries, and 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 position and financial statements in this Registration Document, and have reviewed this Registration Document.

Paris, April 7, 2015

Maurice Lévy,

Chairman of the Management Board

8.3 Statutory auditors

8.3.1 PRINCIPAL STATUTORY AUDITORS

ERNST & YOUNG ET AUTRES

Represented by Vincent de La Bachelerie and Christine Staub

1/2, place des Saisons, 92400 Courbevoie – Paris La Défense 1

Appointed at the General Shareholders' Meeting of June 4, 2007; appointment renewed at the General Shareholders' Meeting of May 29, 2013, for a term of six years expiring at the end of the General Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2018.

MAZARS

Represented by Loïc Wallaert and Anne-Laure Rousselou

61, rue Henri-Regnault, Tour Exaltis, 92400 Courbevoie

Appointed at the General Shareholders' Meeting of June 25, 1981; appointment renewed at the General Shareholders' Meeting of June 7, 2011, for a term of six years expiring at the end of the General Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2016.

8.3.2 ALTERNATE STATUTORY AUDITORS

AUDITEX

1/2, place des Saisons, 92400 Courbevoie – Paris La Défense 1

Appointed at the General Shareholders' Meeting of June 4, 2007; appointment renewed at the General Shareholders' Meeting of May 29, 2013, for a term of six years expiring at the end of the General Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2018.

GILLES RAINAUT

61, rue Henri-Regnault, Tour Exaltis, 92400 Courbevoie

Appointed at the General Shareholders' Meeting on June 1, 2010 to replace Patrick de Cambourg, for a term of six years expiring at the end of the General Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2015.

8.4 Cross-reference table for the Registration Document

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Pursuant to Article 28 of EC Commission Regulation no. 809/2004, the following information is incorporated by reference into this Registration Document:

- the consolidated financial statements for the 2012 fiscal year drawn up in accordance with IFRS standards, and the statutory auditors' report relating thereto, which are shown on pages 109 to 192 and 193 to 194 of the 2012 Registration Document filed with the AMF on April 12, 2013 under no. D. 13-0343;
- the consolidated financial statements for the 2013 fiscal year drawn up in accordance with IFRS standards, and the statutory auditors' report relating thereto, which are shown on pages 111 to 189 and 190 to 191 of the 2013 Registration Document filed with the AMF on April 4, 2014 under no. D. 14-0293;
- the change in the Group's financial position and operating profit for the 2012 fiscal year, shown on pages 95 to 106 of the 2012 Registration Document filed with the AMF on April 12, 2013 under no. D. 13-0343;
- the change in the Group's financial position and operating profit for the 2013 fiscal year, shown on pages 97 to 108 of the 2013 Registration Document filed with the AMF on April 4, 2014 under no. D. 14-0293;
- the parent company financial statements for the 2012 fiscal year drawn up according to French accounting standards, and the statutory auditors' report relating thereto, which are shown on pages 195 to 223 and 224 of the 2012 Registration Document filed with the AMF on April 12, 2013 under no. D. 13-0343;
- the parent company financial statements for the 2013 fiscal year drawn up according to French accounting standards, and the statutory auditors' report relating thereto, which are shown on pages 193 to 219 and 220 of the 2013 Registration Document filed with the AMF on April 4, 2014 under no. D. 14-0293;
- the statutory auditors' special report on related-party agreements for the 2012 financial year, shown on pages 90 to 93 of the 2012 Registration Document filed with the AMF on April 12, 2013 under no. D. 13-0343;
- the statutory auditors' special report on related-party agreements for the 2013 financial year, shown on pages 46 to 48 of the 2013 Registration Document filed with the AMF on April 4, 2014 under no. D. 14-0293;
- the sections of the 2013 and 2012 Registration Documents that are not included are either irrelevant for investors, or covered by this Registration Document.

8.5 Cross-reference table for the annual financial report

In order to facilitate the reading of the annual financial report, the following thematic table makes it possible to identify the main information required by Article L. 451-1-2 of the French Monetary and Financial Code in this Registration Document.

Item in the annual financial report		Page No.	Section No.
1.	**Financial statements**	*194 to 219*	5.1. to 5.5.
2.	**Consolidated financial statements**	*118 to 190*	4.1. to 4.6.
3.	**Statutory auditors' report on the financial statements**	*220*	5.6.
4.	**Statutory auditors' report on the consolidated financial statements**	*191 to 192*	4.7.
5.	**Management report including at least 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 Commercial Code**		
	Objective and thorough analysis of the progress of the business, results and the financial position	*105 to 114; 20 to 25*	3.1. to 3.5 and 1.5
	Description of the main risks and uncertainties	*29 to 33; 113; 161 to 165 and 172 to 175*	1.8.; 3.4.3 4.6. (notes 22 and 26).
	Release of the financial instruments	*128 to 135; 169 to 172; 172 to 175*	4.6. (notes 1.3, 25 and 26)
	Social and environmental impact of the business	*86 to 101*	2.4.
	Rules applicable to the appointment and replacement of members of the Supervisory Board and the Management Board, as well as to changes in the statutes or capital	*222 to 224*	6.1.5.
	Buyback by the Company of its own shares	*222 to 224; 228 to 237 and 238 to 239*	6.1.5. 6.3.1. and 6.3.3.
	Current delegations	*228 to 237*	6.3.1.
	Shareholder base, structure and changes in capital	*225 to 241*	6.2. and 6.3.
	Agreements related to a possible change of control or liable to have an influence in the event of a public tender offer	*227*	6.2.3.
	Restrictions on the transfer of shares and the exercising of voting rights	*222 to 224*	6.1.5.
	Agreements allowing for indemnities to the members of the Management Board or employees if they resign or are dismissed without real or serious cause, or if their employment ends because of a public offering	*50 to 68*	2.2.2.
6.	**Declaration of the persons responsible for the management report**	*249*	8.2.2.
7.	**Compensation of the statutory auditors**	*186*	4.6. (note 31)
8.	**Report of the Chairman of the Supervisory Board, established in adherence to legal provisions**	*47 to 53*	2.1.5.
9.	**Statutory auditors' report on internal control**	*54*	2.1.6.

8.6 Cross-reference table for the management report

COMMENTARY ON THE FISCAL YEAR

	Page No.	Section No.
Situation and business activities of the Company and the Group	*6; 7 to 9; 11 to 19*	1.1; 1.2; 1.4.
Business results of the Company and the Group	*118 to 120; 194; 195 to 196; 217 to 218; 219*	4.1. to 4.3.; 5.1.; 5.2.; 5.4. (note 27); 5.5.
Objective and exhaustive analysis of business developments, results and financial position of the Company and the Group	*105 to 114; 20 to 25*	3.1. to 3.5.; and 1.5.
Key indicators of non-financial performance with regard to the Company's specific business activities		NA
Key events occurring between the date of close of the financial year and the date the report is prepared	*25; 186; 216; 225; 239*	1.5.2; 4.6. (note 30); 5.4. (note 26); 6.2.1.; 6.3.3.
Foreseeable development of the Company and the Group	*25; 116*	1.5.3. and 3.7.
Dividends distributed over the three preceding years and amount of income distributed during the same years eligible for 40% deduction	*115*	3.6.
Investments or controlling interests in companies headquartered in French territory	*20 to 24*	1.5.1.

PRESENTATION OF THE GROUP

	Page No.	Section No.
The main risks and uncertainties faced by the Group	*29 to 33*	1.8.
The Company's use of financial instruments: objectives and policy in relation to financial risk management	*128 to135; 169 to 172; 172 to 175*	4.6. (notes 1.3, 25 and 26)
Exposure of the Company to price, credit, liquidity or cash flow risks	*32 to 33; 113; 161 to 165; 172 to 175*	1.8.5.; 3.4.3 and 4.6. (notes 22 et 26)
Social and environmental consequences of business activities and social commitments to promote sustainable development, to fight discrimination and to encourage diversity	*86 to 101*	2.4.
Research and development activities	*27 to 28; 129*	1.7. and 4.6. (note 1.3)

CORPORATE GOVERNANCE

	Page No.	Section No.
List of all offices and functions exercised in any company by each corporate officer during the year	*36 to 43*	2.1.1.
Total compensation and other benefits paid to corporate officers during the year	*57 to 79*	2.2.
All commitments made by the Company for its corporate officers, such as compensation, indemnities or benefits due or likely to be due as a result of taking up, ceasing or changing functions, or subsequently	*57 to 79*	2.2.
Options granted, subscribed or bought during the year by the corporate officers and the top ten highest paid Company non-executive employees, and stock options granted to all beneficiary employees, by category	*71 to 76; 240*	2.2.3. (Tables 4.5, 8 and 9) and 6.3.6.
Conditions for raising and retaining options by the executive corporate officers	*58 to 68; 177 to 185*	2.2.2. and 4.6 (note 28)
Conditions for retaining free shares attributed to executive corporate officers	*58 to 68; 72; 177 to 185*	2.2.2. and 2.2.3. (Tables 6 and 7) and 4.6. (note 28)
Operations in the Company's shares by directors and associated persons	*79*	2.2.5.
Agreements between a corporate officer or major shareholder with a subsidiary of the Company (excluding agreements relating to current operations or concluded on arm's length terms)		NA

COMPANY INFORMATION AND CAPITAL STRUCTURE

	Page No.	Section No.
Rules applicable to the appointment and replacement of members of the Supervisory Board and the Management Board, as well as to changes in the Bylaws or capital	*222 to 224*	6.1.5.
Power of the Supervisory Board or the Management Board, in particular concerning the issue or buyback of shares	*222 to 224; 228 to 237; 238 to 239*	6.1.5. 6.3.1. and 6.3.3.
Sales and purchases of own shares during the year	*238 to 239*	6.3.3.
Any adjustments for shares giving access to capital in case of buyback or financial transactions	*168*	4.6. (note 24)
Current delegations	*228 to 237*	6.3.1.
Structure of and changes in the Company's capital	*225 to 227; 227 to 241*	6.2. and 6.3.
Major shareholders and voting rights	*225 to 227*	6.2.1.
Employee stockholdings	*240*	6.3.6.
Agreements related to a possible change of control or liable to have an influence in the event of a public tender offer	*227*	6.2.3.
Statutory limitations on the exercise of voting rights and transfer of shares or clauses in agreements brought to the attention of the Company	*222 to 224*	6.1.5.
Direct or indirect ownership of the Company's capital of which it is aware, pursuant to Article L. 233-7 of the French Commercial Code	*225 to 227*	6.2.1.
Agreements between shareholders of which the Company is aware and which might hinder the transfer of shares and the exercise of voting rights		NA
Agreements allowing for indemnities to members of the Management Board or employees if they resign or are dismissed without real or serious cause, or if their employment ends because of a public offering	*58 to 68*	2.2.2.

ELEMENTS PERTAINING TO THE FINANCIAL STATEMENTS

	Page No.	Section No.
Company's earnings over the past five years	*219*	5.5.
Payment periods	*114*	3.5.

REPORT OF THE CHAIRPERSON OF THE SUPERVISORY BOARD

	Page No.	Section No.
On the conditions for preparing and organizing the work conducted by the Supervisory Board and on internal control procedures	*47 to 53*	2.1.5.
Statutory auditors' report on the report from the Chairperson of the Supervisory Board	*54*	2.1.6.

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