PUBLICIS GROUPE

MAY 2007

Notice of Meeting

We are pleased to inform you that the Ordinary and Extraordinary Meeting of PUBLICIS GROUPE S.A. shareholders will be held on Monday, June 4, 2007 at 10:00 a.m., at the Publiciscinémas, 133, avenue des Champs-Élysées, Paris 8e.

1 AGENDA

of the Ordinary Shareholders' Meeting:

- report by the Management Board;
- reports by the Supervisory Board and its Chairperson;
- reports by the Auditors;
- approval of transactions and parent company financial statements for the 2006 fiscal year;
- approval of the consolidated financial statements for the 2006 fiscal year;
- allocation of net income and establishment of dividend;
- ratification of the Management Board's acts;
- ratification of the Supervisory Board's acts;
- approval of the agreements referred to in Article L. 225-86 of the Commercial Code;
- reelection of a Member of the Supervisory Board;
- election of an Auditor and an alternate Auditor;
- authorization of Management Board to allow the Company to purchase its own shares;

of the Extraordinary Shareholders' Meeting:

- authorization to the Management Board to reduce the capital by canceling Publicis shares held by the Company;
- delegation of authority to the Management Board to decide to issue shares or other securities with maintenance of the shareholders' preemptive rights;
- delegation of authority to the Management Board to decide to issue shares or other securities with elimination of the shareholders' preemptive rights;
- authorization to the Management Board to issue shares or other securities with the authority to set the issue price;
- delegation of authority to the Management Board to decide to increase the capital through capitalization of reserves, profits or premiums;
- delegation of authority to the Management Board to decide to issue shares or other securities in the event of a tender offer initiated by the Company;
- authorization to the Management Board to increase the number of shares or other securities to be issued in the event of a capital increase, with or without preemptive rights, up to the limit of 15% of the initial issue;
- delegation of authority to the Management Board, in the context of Article L.443-1 et seq. of the French Labor Code, to increase the capital in favor of Group employees;
- authorization to the Management Board to grant options to subscribe to and/or purchase shares to members of the personnel and/or officers of the Company and companies in the Group;

- establishment of the overall cap for capital increases carried out pursuant to the authorizations and delegations given to the Management Board;
- delegation to the Management Board to make bonus issues of shares to the employees and officers of the Company and companies in the Group;
- authorization to the Management Board to use the authorizations and delegations given by the Shareholders' Meeting in the event of a tender offer targeting the Company;
- amendment of the following articles of the By-Laws: Article 20 "Representation at and Admission to Shareholders' Meetings", Article 10 "Appointment – Removal – Term of Office – Age Limit – Replacement – Compensation" and Article 12 "Powers – Relationships with Third Parties";

of the Combined Ordinary and Extraordinary Shareholders' Meeting:

- authority to complete the formalities;
- any other business.

2 REASONS FOR THE RESOLUTIONS

1st resolution:	• approval of transactions and financial statements for the 2006 fiscal year.
2nd resolution:	• approval of consolidated financial statements for the 2006 fiscal year.
3rd resolution:	• allocation of net income for 2006 and establishment of the dividend.
4th et 5th résolutions:	• ratification of the acts of the Management Board and the Supervisory Board for the 2006 fiscal year.
6th resolution:	• approval of the regulated agreements mentioned in the special report of the Statutory Auditors.
7th resolution	• reelection of Mr Félix Rohatyn to the Supervisory Board for six years.
8th resolution	• appointment of the firm of Ernst & Young et Autres as Auditor for six fiscal years.
9th resolution	• appointment of the firm of Auditex as alternate Auditor for six fiscal years.
10th resolution	• authorization to the Management Board, for a period of 18 months, so that the Company can purchase its own shares, up to 10% of the capital; the maximum purchase price is €49 and the minimum selling price is €21.
11th resolution	• authorization to the Management Board, for a period of 26 months, to reduce the capital by canceling all or part of the Publicis Groupe SA shares held by the Company as part of the share buy-back program provided for in the preceding resolution and by the stock purchase plan authorized after this meeting.
12th resolution	• delegation of authority to the Management Board, for 26 months, to increase the capital, on one or more occasions, by issuing shares or other securities, with a maximum par value of €40 million, and maintenance of the preemptive rights, with the maximum par value of the securities representing claims against the Company that can be issued being limited to €900 million or the equivalent on the date of the issue decision.
13th resolution	• delegation of authority to the Management Board, for 26 months, to increase the capital on the terms set forth in the 12th resolution but with the authority to eliminate the shareholders' preemptive rights.
14th resolution	• authorization to the Management Board, for a period of 26 months and up to a limit of 10% of the capital, to increase the capital through a public offering, with elimination of shareholders' preemptive rights, and to set to the issue price.

15th resolution	• delegation of authority to the Management Board, for a period of 26 months, to increase the capital through capitalization of reserves, profits, premiums and the like.
16th resolution	• delegation of authority to the Management Board, for a period of 26 months, to issue shares or other securities in the event of a tender offer initiated by the Company.
17th resolution	• delegation of authority to the Management Board, for a period of 26 months, to issue shares or other securities to remunerate contributions in kind granted to the Company, up to a limit of 10% of the capital.
18th resolution	• authorization to the Management Board, for a period of 26 months, to increase the number of shares or other securities to be issued in the event of a capital increase, with or without preemptive rights, up to a limit of 15% of the initial issue.
19th resolution	• pursuant to Article L. 225-138-1 of the French Commercial Code and Articles L. 443-1 et seq. of the French Labor Code, authorization to the Management Board, for 26 months, to increase the capital by a maximum nominal amount €2.8 million, in favor of the employees of Group companies.
20th resolution	• authorization to the Management Board, for a period of 38 months, to grant options to subscribe to and/or purchase shares, to members of the personnel and/or officers of Group companies.
21th resolution	• establishment of the overall cap for capital increase at €40 million.
22nd resolution	• delegation of authority to the Management Board, for a period of 38 months and up to a limit of 10% of the capital on the date of the award, to award bonus shares (stock dividends) to employees and officers of Group companies.
23rd resolution	• authorization to the Management Board to use the authorizations given by the shareholders in the event of a tender offer targeting the Company.
24th resolution	• proposal to amend Article 20 of the By-Laws "Representation at and Admission to Shareholders' Meetings" to make it consistent with Article L.136 of the Decree of March 23, 1967, as amended by the Decree of December 11, 2006, regarding proof of shareholders status.
25th resolution	• proposal to amend Section I of Article 10 of the By-Laws "Appointment – Removal – Term of Office – Age Limit – Replacement – Compensation" by application of Article L 225-58 paragraph 1 of the French Commercial Code, which allows us to raise the number of Management Board members from five to seven.
26th résolution	• proposal to amend the last paragraph of Section I of Article 12 of the By-Laws "Powers – Relationships with Third Parties" regarding the prior consent to be given by the Supervisory Board to the Management Board on the transactions referred to in paragraphs 1 to 16.
27th resolution	• powers for formalities.

3 RESOLUTIONS PROPOSED

Resolutions falling within the prerogatives of the Ordinary Shareholders' Meeting

First resolution (Approval of parent company financial statements for the 2006 fiscal year)

Having heard the reports of the Management Board, the Supervisory Board and the reports of the Auditors as well as the balance sheet, the statement of income and the related notes for the 2006 fiscal year, the Shareholders' Meeting approves the transactions and operations summarized in these reports as well as the annual financial statements showing a loss of EUR 38,996,098.

The Shareholders’ Meeting formally acknowledges the report of the Supervisory Board Chairperson on the preparation and organization of the Supervisory Board’s work and on the internal control procedures implemented by the Company and the report of the auditors on this report.

Second resolution (Approval of consolidated financial statements for the 2006 fiscal year)

Having heard the Management Board’s report on the management of the Group included in the management report under Article L. 233-26 of the French Commercial Code, and the report of the Auditors on the consolidated financial statements, the Shareholders’ Meeting approves the consolidated financial statements for 2006 as they were presented and drawn up in accordance with Articles L. 233-16 et seq. of the French Commercial Code, showing a profit of EUR 469,000,000 (Group share of EUR 443,000,000), as well as the transactions reflected in these financial statements and summarized in the Group management report.

Third resolution (allocation of net income for the fiscal year and establishment of dividend)

On the recommendation of the Management Board, the Shareholders’ Meeting resolves:

1) to charge the loss for fiscal year 2006 in the amount of EUR 38,996,098 to retained earnings. The retained earnings in the amount of EUR 550,037,088 (after taking into account the effect as of January 1, 2006 of the change in the method of calculating the provision for retirement benefits in the amount of EUR 76,000) are thus reduced to EUR 511,040,990;

2) to distribute to shareholders a dividend in the amount of EUR 99,461,100, i.e., EUR 0.50 x 198,922,199 shares with a record date of March 31, 2007, charged to retained earnings. Retained earnings are thus reduced from EUR 511,040,990 to EUR 411,579,890.

The total net dividend is EUR 0.50 per share with a par value of EUR 0.40. It will be paid on July 3, 2007, and is eligible, as applicable, for the 40% deduction mentioned in Article 158-3 2 of the General Tax Code, for individuals.

In accordance with Article L. 225-210 paragraph 4 of the French Commercial Code, the Shareholders’ Meeting further resolves that the dividend on treasury shares held on the dividend payment date will be appropriated to retained earnings.
The Shareholders’ Meeting acknowledges that the Management Board’s report indicates that the following dividends were paid in the previous three years:

- 2003: EUR 0.26 per share with a par value of EUR 0.40, EUR 0.13 dividend tax credit.
- 2004: EUR 0.30 per share with a par value of EUR 0.40, eligible for the 50% deduction for individuals.
- 2005: EUR 0.36 per share with a par value of EUR 0.40, eligible for the 40% deduction for individuals.

Fourth resolution (Ratification of Management Board acts)

The Shareholders’ Meeting ratifies the acts of the Management Board for their management during the 2006 fiscal year.

Fifth resolution (Ratification of Supervisory Board acts)

The Shareholders’ Meeting ratifies the acts of the members of the Supervisory Board for their duties for the 2006 fiscal year.

Sixth resolution (Approval of certain related-party transactions)

Having heard the Auditors’ special report provided for in Article L. 225-86 of the French Commercial Code, the Shareholders’ Meeting formally acknowledges the terms of that report and approves the agreements referred to therein, in accordance with Article L. 225-88 of said Code.

Seventh resolution (Reelection of Mr Félix Rohatyn to the Supervisory Board)

The Shareholders' Meeting reelects Félix Rohatyn to the Supervisory Board for a six-year term that will expire at the end of the Annual General Meeting called to approve the financial statements for fiscal year 2012.

Eighth resolution (Appointment of Ernst & Young et Autres as Auditor)

The Shareholders' Meeting notes that the term of office of the Auditor, Ernst & Young Audit, has come to an end and decides to appoint Ernst & Young et Autres as Auditor for a term of six fiscal years that will expire at the end of the annual meeting of shareholders held to approve the financial statements for fiscal year 2012.

Ninth resolution (Appointment of Auditex as alternate Auditor)

The Shareholders' Meeting notes that the term of office of the alternate Auditor, Denis Thibon, has come to an end and decides to appoint Auditex as alternate Auditor for a term of six fiscal years that will expire at the end of the annual meeting of shareholders held to approve the financial statements for fiscal year 2012.

Tenth resolution (Share buy-back program)

Having examined the report by the Management Board, and ruling in accordance with Articles L. 225-209 et seq. of the French Commercial Code, the Shareholders' Meeting authorizes the Management Board, with the right to subdelegate powers on the terms stipulated by law and the Company's By-Laws, to buy shares or have shares bought to accomplish the following objectives:

- to award or assign shares to the employees and/or officers of the Company and/or the Group, on the terms and in accordance with the procedures provided for by applicable regulations,
- to deliver shares to honor obligations related to shares or other securities giving access to the capital,
- to hold and deliver shares (by way of exchange, payment or otherwise) in connection with acquisition transactions, up to a limit of 5% of capital,
- to make a secondary market for or enhance the liquidity of the Publicis share through an investment services provider acting on behalf and for the account of the Company with total independence and without being influenced by the Company, by means of a liquidity contract that complies with the code of ethics recognized by the Autorité des Marchés Financiers, or any other applicable provision,
- to cancel the shares so acquired, subject to a further authorization being given by an Extraordinary Shareholders' Meeting,
- to implement any market practice already allowed or allowed in the future by the market authorities.

This program would also allow the Company to act to accomplish any other goal that is currently authorized or will be authorized in the future by applicable law or regulations. In such event, the Company would formally inform its shareholders thereof.

The Company may hold the repurchased shares, sell or transfer them at any time and in any manner, in compliance with applicable regulations, and in particular by buying or selling them on the stock exchange or over the counter, including by buying or selling blocks (without limiting the part of the program that can be realized by this means) in a public offering or a stock swap, by using options or derivatives, in all cases either directly or indirectly through an investment broker, and/or cancel the shares acquired in this manner, subject to the authorization of the Shareholders' Meeting at an extraordinary meeting.

The maximum number of shares that can be purchased shall not exceed 10% of the number of shares making up the share capital at any time, and this percentage shall apply to the share capital as adjusted on the basis of transactions affecting it after this Shareholders' Meeting. As of March 31, 2007, the Company had 14,962,599 shares with a par value of EUR 0.40 each that were acquired pursuant to previous authorizations, and the overall ceiling for this authorization is fifty hundred million (500,000,000) euros.

The maximum purchase price per share is set at EUR 49 and the minimum selling price per share at EUR 21, with the specification that these prices will not apply to a buyback of shares so that shares can be awarded to employees free of charge or so that options can be exercised; in the latter case, the selling price or the monetary equivalent is determined in accordance with the specific provisions that apply.

In the event of a change in the par value of the shares, a capital increase by capitalization of reserves, free award of shares, a stock split or reverse stock split, a distribution of reserves or any other assets, redemption of shares, or any other transaction involving equity capital, the Shareholders' Meeting delegates to the Management Board the power to adjust the aforementioned purchase and selling prices to take account of the repercussion of these transactions on the value of the share.

The Shareholders' Meeting decides that the Company may utilize this resolution and carry out the share buy-back program, even in the event of tender offers involving the Company's shares, instruments or other securities or initiated by the Company, in compliance with applicable regulations.

The Shareholders' Meeting grants full powers to the Management Board, with the right to subdelegate powers on the terms provided for by law and the Company's By-Laws, to sign all acts, agreements, carry out all formalities and, generally to do whatever is necessary to carry out this resolution.

This authorization is granted for a period of eighteen (18) months from the date of this Shareholders' Meeting. It terminates, for the unused portion and the unexpired period, and supersedes the authorization granted previously under the twelfth resolution approved by the Meeting of the Company's Shareholders on June 7, 2006.

Resolutions falling within the prerogatives of the Extraordinary Shareholders' Meeting

Eleventh resolution (Cancellation of treasury shares)

Having heard the report by the Management Board and the special report by the Auditors, and ruling in accordance with Article L. 225-209 of the French Commercial Code, the Shareholders' Meeting:

- authorizes the cancellation, on one or more occasions, up to the statutory limit of 10% of the capital (which limit applies to an amount of the Company's capital that will be adjusted to take into account any transactions affecting such capital after today's meeting) and at 24-month intervals, of all or part of the Publicis Groupe SA shares acquired under the share buy-back program authorized by the approval of the tenth resolution above, by the share buy-back program authorized at the Shareholders' Meeting on June 7, 2006, in the twelfth resolution, or any share buy-back programs that may be authorized after today's meeting;

- delegates to the Management Board, with full powers of substitution, the authority to cancel, in its sole discretion, on one or more occasions, in the proportions and at the times it deems appropriate, the shares so acquired, and to reduce the capital as a result, and to amend the By-Laws to reflect these events;

- establishes that this authorization will be in effect for twenty-six (26) months from the date of today's Shareholders' Meeting.

As of today, this authorization supersedes the unutilized portion and the unexpired term of the prior authorization given to the Management Board by the shareholders' meeting on June 7, 2006, in the thirteenth resolution, to reduce the capital by cancelling treasury shares.

Twelfth resolution (issue of securities with maintenance of preemptive rights)

Having heard the report by the Management Board and the special report by the Auditors, and ruling in accordance with Articles L. 225-127, L. 225-128, L. 225-129, L. 225-129-2, L. 225-132, L. 225-133, L. 225-134, and L. 228-92 et seq. of the French Commercial Code, the Shareholders' Meeting:

1) immediately terminates the unutilized portion and the unexpired term of the prior authorization given to the Management Board by the combined annual and special meeting of shareholders on June 1, 2005, in the thirteenth resolution.

2) delegates to the Management Board, for a term of twenty-six (26) months from the date of today's meeting, its authority to decide in its sole discretion, on one or more occasions, in the proportions and at the times it deems appropriate, both in France and outside of France, in euros or foreign currency or an accounting unit established by reference to several currencies, with maintenance of the shareholders' preemptive rights, to issue shares or other securities (including subscription warrants issued independently with or without valuable consideration and purchase warrants) giving access or potentially giving access to equity or entitling their holder to debt securities (and the subscription may be made in cash or by offset of claims.

This delegation may allow one or more issues of securities giving access to the capital of the Company's subsidiaries in accordance with Article L. 228-93 of the French Commercial Code.

It is specified that no preferred shares or securities giving access to preferred shares shall be issued hereunder.

3) decides that:

- The nominal amount of the capital increase, in the immediate or more distant future, resulting from all the issues carried out under the powers granted to the Management Board hereunder, shall not exceed forty million (40,000,000) euros or the equivalent thereof in any other authorized currency, it being specified that this amount is set without taking account of the effects on the amount of the capital of the adjustments designed to protect the owners of securities giving access to the capital and which may be made, in accordance with legal and regulatory provisions, and that this amount shall be deducted from the amount of the global limit of forty million (40,000,000) euros established in the twenty-first resolution.

- The maximum nominal amount of the securities representing Company debts which can be issued as part of the issues authorized hereunder shall not exceed nine hundred million (900,000,000) euros or the equivalent thereof on the date of the issue decision, it being understood that this amount is common to all the debt instruments which the Management Board is authorized to issue hereunder.

4) formally acknowledges that the Management Board may, in accordance with the provisions of Article L. 225-133 of the French Commercial Code, create in favor of the shareholders a right to subscribe to excess shares or other securities, which shall be exercised in proportion to their rights and within the limit of their requests, and decides that if subscriptions as of right and, as the case may be, subscriptions to excess shares, have not absorbed the issue in its entirety, the Management Board may offer all or a portion of the outstanding and unsubscribed securities on the French market and/or abroad, and/or on the international market.

5) formally acknowledges that the issue of securities giving access to the capital automatically implies the shareholders' waiver of their preemptive right to subscribe to any equity shares to which these securities might carry entitlement.

The Management Board will have full powers, with the right to subdelegate these powers, on the conditions stipulated by law and the Company's By-Laws, to implement this delegation for the purpose of making issues, determining the terms thereof, establishing the related capital increases and amending the By-Laws accordingly, and in particular determining the dates, terms and conditions of any issue as well as the form and characteristics of the securities to be created, signing all agreements and more generally taking all measures to properly carry out the planned issues and to have the issued instruments listed in the financial department. In particular, it shall establish the amounts to be issued, the issue and subscription prices of the shares or securities, with or without a premium, the date, which may be retroactive, on which they may bear dividends, the terms on which shares must be fully paid up, as well as the term and price for exercising any warrants or the procedures for exchanging, converting, redeeming or allotting, in any other manner, equity shares or other securities giving access to the capital.

The securities issued in this manner may consist of debt instruments (including but not limited to bonds and similar or related instruments), and may even permit the issue thereof as intermediate instruments.

If debt instruments are issued, the Management Board will have full powers with the right of subdelegation on the terms established by law and by the Company's By-Laws, and in particular to decide whether they shall be subordinated or not, to establish their interest rate, their term, the fixed or variable redemption price, with or without a discount, the amortization procedures and the terms on which these instruments will entitle their holders to Company shares.

The Shareholders' Meeting specifies that the Management Board, with the right to subdelegate its powers, on the terms established by law and the Company's By-Laws:

- shall determine, under legal conditions, the procedures for making adjustments designed to protect the interests of the owners of securities giving access to the Company's capital;

- may freely decide, in the event of a bonus issue (in particular of subscription warrants), how to handle fractional shares;

- may establish any spécial provision in the issue contract;

- may provide for the right to possibly suspend the exercise of the rights attached to these shares for a period which shall not exceed the maximum period stipulated under the applicable laws and regulations;

- may determine the terms of free award of subscription warrants and determine the procedures for buying or exchanging securities and/or subscription warrants on the stock market and the terms of their redemption;

- may determine the terms governing the purchase on the stock market, or the exchange of the securities issued or to be issued, at any time or during specific periods;

- may make all deductions from the premiums and in particular may deduct the costs entailed in making the issues;

- shall have full powers to protect the interests of the owners of securities giving access to the Company's capital, in compliance with the law and regulations.

Thirteenth resolution (Issue of securities with elimination of preemptive rights)

Having examined the report by the Management Board and the special report of the Auditors, and ruling in accordance with Articles L. 225-127, L. 225-128, L. 225-129, L. 225-129-2, L. 225-135, L. 225-136, and L. 228-92 et seq. of the French Commercial Code, the Shareholders' Meeting:

1) Immediately terminates, for the unused portion and the unexpired period, the delegation granted by the combined annual and special Shareholders' Meeting on June 1, 2005 in its fourteenth resolution.

2) Delegates its power to the Management Board for a period of twenty-six (26) months beginning on the date of this Meeting, for the purpose of deciding, in its sole discretion, on one or more occasions, in the proportions and on the dates it shall determine, both in France and abroad, in euros or in a foreign currency or unit of account determined by reference to several currencies, to make a public offering of shares or other securities – including subscription warrants (issued independently for valuable consideration) and acquisition warrants –giving access or potentially giving access to the capital and carrying entitlement to a grant of debt securities, which may either be subscribed in cash or set-off against receivables.

This delegation may permit one or more issuances of securities giving access to the capital of the Company's subsidiaries, pursuant to Article L. 228-93 of the French Commercial Code. Furthermore, this delegation may allow issuance of ordinary shares in the Company following the issue by the Company's subsidiaries of securities giving access to the Company's capital pursuant to Article L. 228-93 of the French Commercial Code.

3) Decides to eliminate the shareholders' preemptive right to these shares or other securities.

It is specified that no preferred shares or securities giving access to preferred shares shall be issued.

4) Decides that:
- the immediate or future nominal amount of the capital increase resulting from all the issues carried out under the delegation granted hereunder shall not exceed forty million (40,000,000) euros or the equivalent thereof in any other authorized currency, it being specified that this amount is common to the sixteenth resolution, that it is determined without taking into account the effects that any adjustments may have on the amount of the share capital, in order to protect the interests of the owners of securities giving access to the capital, in accordance with the law and regulations, following the issue of shares or of securities giving future access to the capital, and that this amount shall be deducted from the amount of the global limit of forty million (40,000,000) euros set in the twenty-first resolution;
- the maximum par value of the securities representing Company's debts shall not exceed nine hundred million (900,000,000) euros or the equivalent thereof on the date of the decision to issue, it being specified that this amount applies to all debt instruments which the Management Board has the power, by delegation, to issue hereunder.

5) In accordance with law, delegates to the Management Board the right to determine whether to provide shareholders with a preemptive subscription period (which shall not result in the creation of negotiable rights) for all or a portion of an issue carried out, to establish the length of this period, its procedures and the terms of its exercise, and in particular to decide to limit the number of shares to which this preemptive right shall carry entitlement for each subscription order issued, in accordance with Article L. 225-135 of the French Commercial Code and Article 165 III of Decree No. 67-236 of March 23, 1967.

6) Formally acknowledges that the issue of securities giving access to the capital implies the shareholders' waiver of their preemptive right to subscribe to the capital shares to which these securities might entitle them.

7) Decides that the sum owed or which may be owed to the Company for each of the shares issued now or in the future, pursuant to the foregoing delegation, after taking account of the issue price of any subscription warrants or acquisitions warrants that may be issued, will be equal at least to the minimum price stipulated by applicable law or regulations on the date of the issue, regardless of whether the securities to be issued immediately or in the future are or are not equivalent to the equity shares already issued.

The Management Board will have full powers, with the right to subdelegate its powers on the terms stipulated by law and the By-Laws, to implement this delegation for the purpose of making issues, establishing the terms thereof, the realization of the ensuing capital increases and amending the By-Laws accordingly, and in particular to establish the dates, terms and conditions of any issue, as well as the form and characteristics of the instruments or securities to be created, to sign all agreements and more generally take all measures to achieve the proper completion of the planned issues and to have the issued instruments listed in the financial department. In particular, it shall establish the amounts to be issued, the issue and subscription prices of the instruments or securities, with or without a premium, the date, which may be retroactive, on which they may bear dividends, the payment terms, as well, as the case may be, as the term and price for exercising the warrants or the procedures for exchanging, converting, redeeming, or allotting, in any other manner, equity shares or shares giving access to the capital.

The securities issued in this manner may be debt instruments, in particular debenture bonds, or be associated with the issue of such instruments, or even permit the issue thereof as intermediate securities.

If debt instruments are issued, the Management Board will have full powers with the right to subdelegate these powers on the conditions stipulated by law and by the Company's By-Laws, in particular to decide whether they shall be subordinated or not, to establish their interest rate, their term, the fixed or variable redemption price, with or without a premium, the amortization procedures and the terms on which these instruments will entitle their holders to Company shares.

The Shareholders' Meeting specifies that the Management Board with the right to subdelegate its powers on the conditions stipulated by law and by the Company's By-Laws:

- shall determine, under legal conditions, the procedures for making adjustments designed to protect the interests of the owners of securities giving access to the Company's capital;

- establish any special provisions in the issue contracts;

- may provide for the right to possibly suspend the exercise of the rights attached to these instruments for a period which shall not exceed the maximum period stipulated by applicable law and regulations;

- may determine the terms governing the purchase on the stock market, or exchange of the shares issued or to be issued, at any time or during specific periods;

- may make all deductions from the premiums and in particular may deduct the costs involved in making the issues;

- shall have full powers to protect the interests of the owners of securities giving access to the Company's capital in compliance with the law and regulations.

Fourteenth resolution (issue of securities up to a 10% limit with right to establish the issue price)

Having heard the report by the Management Board and the special report of the Auditors, in accordance with Article L. 225-136 1 of the French Commercial Code, and within the limit of 10% of the share capital per annum, the Shareholders' Meeting authorizes the Management Board to issue ordinary shares or other securities shares giving or offering the possibility of access to the Company's capital, by establishing the issue price thereof, depending on market opportunities, for a period of twenty six (26) months, by means of a public offering without preemptive rights, in accordance with one of the following methods:

- issue price equal to the average price of Publicis Groupe S.A. shares on the Eurolist market of Euronext Paris over a maximum period of six (6) months prior to the issue;
- issue price equal to the weighted average price of the Publicis Groupe S.A. shares noted on the Eurolist market of Euronext Paris on the day preceding the issue, with a maximum discount of 25%.

The Shareholders' Meeting decides that the par value of the increase of the Company's capital resulting from the issue of shares authorized hereunder shall be deducted from the amount of the global limit established in the twenty-first resolution.

The Shareholders' Meeting formally acknowledges that the present authorization automatically implies the shareholders' waiver of their preemptive right to subscribe to the shares to which the securities issued pursuant hereto might entitle them.

This new delegation immediately terminates the unused portion and the unexpired period of the delegation granted by the Shareholders' Meeting on June 1, 2005 in its fifteenth resolution.

The Shareholders' Meeting grants full powers to the Management Board, with the right to subdelegate powers on the conditions stipulated by law and the Company's By-Laws, to make the issues on such terms as it may determine, including to determine the form and number of the securities to be created, their characteristics and the terms of their issue and to amend the By-Laws accordingly.

Fifteenth resolution (increase of the share capital through capitalization of premiums, reserves, profits, etc.)

Having examined the report by the Management Board, and ruling in accordance with Articles L. 225-129, L. 225-129-2 and L. 225-130 of the French Commercial Code and with the quorum and majority required for an ordinary shareholders' meeting, the Shareholders' Meeting:

1) Delegates its authority to the Management Board for a period of twenty-six (26) months beginning on the date of this Meeting, to decide to increase the share capital, in its sole discretion, on one or more occasions, on the dates it determines, by capitalizing any reserves, profits, premiums, etc. that can be capitalized pursuant to law or the By-Laws, and then creating equity shares and awarding them free of charge or increasing the par value of existing equity shares, or by combining these two procedures;

2) Decides that fractional shares can be neither traded nor sold, and that the related instruments will be sold, and the sums from the sale allotted to the holders of the fractional rights on the terms established by law and regulations;

3) Decides that the amount of the capital increase resulting from all the issues carried out hereunder shall not exceed the nominal amount of forty million (40,000,000) euros or the equivalent thereof in any other authorized currency, it being specified that the nominal amount of the capital increase carried out pursuant to this delegation shall be deducted from the amount of the global limit of forty million (40,000,000) euros established in the twenty-first resolution and that this amount does not take into account the effects of adjustments to the capital that are made to protect the holders of securities giving access to the capital, as required by laws and regulations;

4) Confers all powers upon the Management Board, with the right to subdelegate its powers on the terms stipulated by law and the Company's By-Laws, in accordance with law and the Company's By-Laws, to implement this resolution and seek its proper completion.

This new authorization immediately terminates the unused portion and the unexpired period of the delegation granted by the Shareholders' Meeting on June 1, 2005 in its sixteenth resolution.

Sixteenth resolution (issues of securities giving access to the Company's capital in the event of a tender offer initiated by the Company)

Having examined the report by the Management Board, and in accordance with Articles L. 225-148, L. 225-129 to L. 225-129-6 of the French Commercial Code, the Shareholders' Meeting;

1) Immediately terminates the unused part and the unexpired term of the powers delegated by the Shareholders' Meeting on June 1, 2005 in its seventeenth resolution;

2) Delegates its powers to the Management Board for a period of twenty-six (26) months beginning on the date of this Meeting, to decide, in its sole discretion, to issue shares or other securities – including independently issued subscription warrants – giving access or potentially giving access to the Company's capital as compensation for the securities tendered in response to any tender offer with an exchange component initiated by the Company for the instruments of another company whose shares are admitted for trading on one of the regulated markets referred to in Article L. 225-148 of the French Commercial Code or in response to any other transaction with the same effect as a stock swap initiated by the Company and involving the shares of another company whose shares are admitted for trading on another regulated market governed by foreign law, and decides, if necessary, to cancel, in favor of the bearers of these instruments, the shareholders' preemptive right to these shares or other securities;

3) Formally acknowledges that the issue of securities giving access to the capital automatically implies waiver by the shareholders of their preemptive right to subscribe to the capital shares to which these securities may entitle them;

4) Decides that the immediate or future nominal amount of the capital increase resulting from all the issues of shares or other securities carried out pursuant to the powers granted to the Management Board hereunder shall not exceed forty million (40,000,000) euros or the equivalent thereof in any other authorized currency, it being specified that this amount is determined without taking account of the effects that any adjustments could have on the amount of the capital, in accordance with legal and regulatory provisions following the issue of the shares or securities giving future access to the capital and that this amount is common to the limit of forty million (40,000,000) euros stipulated in the thirteenth resolution, and that this amount will be deducted from the amount of the global limit of forty million (40,000,000) euros stipulated in the twenty-first resolution;

5) Decides that the sum owed or which can be owed to the Company for each of the shares issued now or in the future, pursuant to the aforementioned delegation, after taking account, if warrants are issued for the subscription or allotment of shares, of the issue price of said warrants, will be equal at least to the minimum price stipulated by law or regulations applicable on the issue date, regardless of whether the securities to be issued immediately or in the future are or are not equivalent to the equity shares already issued.

The Shareholders' Meeting decides to confer upon the Management Board, with the authority to subdelegate powers on the conditions stipulated by law and the Company's By-Laws, all the powers necessary for making the tender offers referred to above and issuing all the shares or securities remunerating the shares, instruments or securities tendered, it being understood that the Management Board will have to determine the exchange ratios and establish the number of shares tendered for exchange.

Seventeenth resolution (Issue of shares or other securities to remunerate contributions in kind made to the Company up to the limit of 10% of the share capital)

Having examined the report by the Management Board, and pursuant to paragraph 6 of Article L. 225-147 of the French Commercial Code, the Shareholders' Meeting:

Delegates to the Management Board, for a period of twenty-six (26) months beginning on the date of this Shareholders' Meeting, the powers necessary for issuing shares or other securities giving or potentially giving access to the Company's capital, within the limit of 10% of the share capital, at the time of the issue, to remunerate contributions in kind made to the Company and consisting of equity shares or other securities giving access to the capital, when the provisions of Article L. 225-148 of the French Commercial Code do not apply.

The Shareholders' Meeting decides that the nominal amount of the increase of the Company's share capital resulting from the share issue authorized hereunder shall be deducted from the amount of the global limit for capital increases set in the twenty-first resolution.

The Shareholders' Meeting decides that the Management Board shall have full powers, in particular to approve the appraisal of the contributions and concerning said contributions, to establish the realization thereof, deduct all expenses, costs and fees from the premiums, with the balance to be allocated as decided by the Management Board, or by the Ordinary Shareholders' Meeting, to increase the share capital and amend the By-Laws accordingly.

This new authorization immediately terminates the unused portion and unexpired period of the delegation granted by the Shareholders' Meeting on June 1, 2005 in its eighteenth resolution.

Eighteenth resolution (Increase of the number of shares to be issued in the event of a capital increase with or without preemptive rights, up to a limit of 15% of the issue, upon allotment)

In accordance with Article L. 225-135-1 of the French Commercial Code, and after having examined the report by the Management Board, the Shareholders' Meeting authorizes the Management Board, for a period of twenty-six (26) months following this Shareholders' Meeting, to increase, in its sole discretion, within the limit of the global limit established in the twenty-first resolution, the number of shares or other securities to be issued in the event of an increase of the Company's share capital with or without preemptive rights for the shareholders, within 30 days of the closing of the subscription of the initial issue, within the limit of 15% of the initial issue, and at the same price as the price set for the initial issue, in accordance with the provisions of Article 155-4 of Decree No. 67-236 of March 23, 1967 or any other provision which applies.

This new delegation immediately terminates the unused portion and the unexpired period of the delegation granted by the Shareholders' Meeting on June 1, 2005 in its nineteenth resolution.

Nineteenth resolution (Capital increase reserved for employees)

Having examined the report by the Management Board and the special report of the Statutory Auditors, and voting in the framework of the provisions of Article L. 443-1 et seq. of the French Labor Code and of Articles L. 225-129, L. 225-129-2 to L. 225-129-6, L. 225-138 and L. 225-138-1 of the French Commercial Code, the Shareholders' Meeting:

1) Delegates its powers to the Management Board, for a period of twenty-six (26) months beginning on the date of this Meeting, to decide to issue, on one or more occasions, new shares or other securities giving access to the capital, reserved for employees of the Company and/or companies affiliated with the Company within the meaning of Article L. 225-180 of the French Commercial Code who are members of a corporate savings plan or a savings plan for a collective retirement fund, and/or of any mutual funds through which the new shares issued would be subscribed by them, and/or the free allotment to said employees of shares or other securities giving access to the Company's capital within the limits stipulated in Article L. 443-5 of the French Labor Code;

2) Decides that the immediate or future nominal amount of the capital increase resulting from all the issues of shares or other securities carried out under the delegation granted to the Management Board hereunder amounts to two million eight hundred thousand (2,800,000) euros or the equivalent thereof in any other authorized currency, it being specified that this limit is established without taking account of the effects that any adjustment may have on the amount of the capital, in accordance with the law and regulations, following the issue of the shares or other securities giving access to the capital and that the nominal capital increase amount achieved under this delegation shall be deducted from the amount of the global limit of forty million (40,000,000) euros established in the twenty-first resolution;

3) Decides that the subscription price of the shares issued under this delegation of authority shall be determined on the terms provided by Article L. 443-5 of the French Labor Code;

4) Decides to cancel, in favor of these employees or former employees affiliated with a corporate savings plan or a collective retirement savings plan offered by the Company or Companies or groups related to it, as per Article L. 225-180 of the French Commercial Code and Article L. 444-3 of the French Labor Code, the shareholders' preemptive right to the instruments to be issued under this resolution.

The Shareholders' Meeting grants full powers to the Management Board, with the right to subdelegate on the terms stipulated by law and the Company's By-Laws, to implement this delegation of powers, on one or more occasions, in compliance with the terms just established and, in particular all powers to determine the conditions of the issue(s) carried out pursuant to this delegation of authority, and in particular:

- to determine that the issues can take place directly in favor of the beneficiaries or through collective organizations;
- to determine the terms and procedures for issues to be made under this authorization and in particular the conditions governing the payment of dividends, the procedures for paying up shares;
- to establish the subscription price of the shares in accordance with law and regulations;
- to establish the dates of the opening and closing of the subscription period;
- to establish the period granted for paying up shares, which shall not exceed the maximum period granted under applicable laws and regulations, as well as any length-of-service requirements for participating in the operation and the Company's contribution;
- to make the necessary amendments to the By-Laws and generally do everything necessary and, if it deems it suitable, to deduct the costs of the capital increase from the amount of the premiums corresponding to these increases, and to deduct from this amount the sums necessary to raise the legal reserve to one tenth of the new capital after each increase.

Twentieth resolution (Stock options)

Having examined the report by the Management Board and the special report by the Statutory Auditors, the Shareholders' Meeting:

- terminates, with immediate effect, the unused portion and unexpired period of the powers delegated by the Shareholders' Meeting on June 1, 2005 in its twenty-first resolution,
- authorizes the Management Board, with authority to subdelegate, in the framework of Articles L. 225-177 et seq. of the French Commercial Code, for a period of thirty-eight (38) months beginning on the date of this Shareholders' Meeting, to grant, on one or more occasions, to the members of the personnel on the payroll and to all or some of the representatives of the Company or of the companies or economic interest groups affiliated with them on the terms set forth in Article L. 225-180 of the French Commercial Code, and within the limit of the laws in force:
  - options entitling them to subscribe to the Company's new shares to be issued as a capital increase and/or,
  - options entitling them to purchase shares acquired by the Company under legal conditions,

it being understood that the total number of options allotted in this manner and not exercised cannot carry entitlement to a number of shares exceeding 10% of the share capital.

It includes a waiver by the shareholders, in favor of the grantees of the stock options, of their preemptive right to the shares to be issued, as these options are exercised.

The subscription or purchase price of the shares shall be determined by the Management Board on the date on which the options are granted, within the limits and according to the procedures stipulated by law and without any possibility of discount.

The options may be exercised by the beneficiaries within a period of ten (10) years beginning on the date on which they have been granted.

The shares resulting from the exercise of the options shall bear dividend entitlement on the first day on which the options are exercised.

The Shareholders' Meeting decides to confer upon the Management Board, within the limits established above and those set forth in the provisions of the By-Laws, with the right to subdelegate on the conditions stipulated by law and the Company's By-Laws, the powers necessary for implementing this resolution, and in particular to:

- establish the dates on which the options shall be granted;
- determine the dates of each allotment, establish the conditions on which the options shall be granted (these terms may include clauses prohibiting the immediate resale of all or a portion of the shares), establish the list of the beneficiaries of the options and decide on the number of shares which each may subscribe to or purchase;
- establish the terms for exercising the options and in particular the period(s) for exercising the options, it being specified that the Management Board may reserve the right to temporarily suspend the exercise of options in accordance with legal and regulatory conditions;
- decide on the terms on which the price and number of shares subscribed to or purchased shall be adjusted in the cases stipulated by law;
- determine the deadline (which shall not exceed ten (10) years) by which the beneficiaries may exercise their options, as well as the periods for exercising the options;
- accomplish all acts and formalities for the purpose of finalizing the capital increase(s) which may be carried out under the authorization granted hereunder;
- amend the By-Laws accordingly and generally to take all necessary action.

Twenty-first resolution (Global limit on authorizations to increase capital)

Having examined the report by the Management Board, the Shareholders' Meeting establishes, in accordance with Article L. 225-129-2 of the French Commercial Code, the global limit for immediate or future capital increases that may result from all the issues of shares or other securities made under the delegation granted to the Management Board, pursuant to the delegations of authority stipulated in the twelfth, thirteenth, fourteenth, fifteenth, sixteenth, seventeenth, eighteenth, nineteenth and twenty-second resolutions, at the global nominal amount of forty million (40,000,000) euros, it being specified that, within the limit of this ceiling:

1) The effect of issues in which the preemptive right has been maintained, which are the subject of the twelfth resolution, after taking account of the increase in the number of shares or other securities issued pursuant to the eighteenth resolution, shall not be to increase the capital by an amount exceeding forty million (40,000,000) euros.
2) The effect of issues with elimination of the preemptive right, which are the subject of the thirteenth, fourteenth, fifteenth, sixteenth and seventeenth resolutions, after taking account of the increase in the number of shares or other securities issued pursuant to the eighteenth resolution, shall not be to increase the capital by an amount exceeding forty million (40,000,000) euros.
3) The effect of capital increases by capitalization of reserves, profits or premiums, which are the subject of the fifteenth resolution, shall not be to increase the capital by an amount exceeding forty million (40,000,000) euros.
4) The effect of issues in favor of employees, which are the subject of the nineteenth resolution, shall not be to increase the capital by an amount exceeding forty million (40,000,000) euros.
5) The effect of the bonus share issues reserved for employees, which are the subject of the twenty-second resolution, shall not be to increase the capital by an amount exceeding forty million (40,000,000) euros.

This global limit and all of these amounts are established without taking account of the effects that any adjustment may have on the amount of the capital, in accordance with the law and regulations, following the issue of shares or other securities giving future access to the capital.

Twenty-second resolution (Free award of shares to employees)

Having heard the report of the Management Board and the special report of the Auditors, the Shareholders' Meeting authorizes the Management Board, on one or more occasions, in favor of the beneficiaries that it shall determine from among the members (or certain categories of them) of the salaried personnel of the Company or companies or groups affiliated with the Company on the terms established in Article L. 225-197-2 of the French Commercial Code and the officers referred to in Article L. 225-197-1, II of the French Commercial Code, to award, free of charge, existing shares or shares to be issued, in accordance with Articles L. 225-197-1 et seq. of the French Commercial Code, on the terms defined hereinafter.

The total number of shares which can be allotted free of charge under this authorization shall not exceed 10% of the share capital on the date of the Management Board's decision. In any event, the nominal amount of any capital increase carried out hereunder shall not exceed the nominal amount of forty million (40,000,000) euros or the equivalent thereof in any other authorized currency, it being specified that this nominal amount shall be deducted from the amount of the global limit of forty million (40,000,000) euros set in the twenty-first resolution.

The Shareholders' Meeting authorizes the Management Board, during the acquisition period defined below, to adjust the number of shares allotted free of charge on the basis of possible transactions involving the share capital, so as to preserve the beneficiaries' rights.

The allotment of these shares to their beneficiaries shall be final following a minimum acquisition period of two (2) years. However, the award of shares shall be final before the end of that acquisition period in the event that the beneficiary becomes disabled as defined in the second or third categories set forth in Article L. 341-4 of the French Social Security Code.

Furthermore, the beneficiaries may not sell the shares which have been allotted to them under this authorization for a minimum period of two (2) years beginning on the date of the final allotment of the shares. However, the shares may be freely sold if the beneficiary becomes disabled as defined in the categories of the French Social Security Code cited above. The Management Board may increase the duration of these two periods.

The free shares allotted may consist of existing shares or new shares. The Shareholders' Meeting formally acknowledges that in this latter case, the share capital shall be increased accordingly by capitalizing reserves, profits or share premiums in favor of the beneficiaries of said shares and the shareholders' waiver, in favor of the beneficiaries, of the portion of the reserves, profits or premiums capitalized in this manner.

Within the limits established above, the Shareholders' Meeting grants all powers to the Management Board, with right of subdelegation on the terms established by law and the Company's By-Laws, to implement this authorization, and in particular:

1) to establish, within the legal limits, the dates on which free awards of shares shall be made and to provide for the authorization to temporarily suspend the right to allotments;

2) to determine the terms and the criteria (if any) for allotment, the number of shares allotted to each of the beneficiaries and the procedures for allotting the shares and in particular, the acquisition period and the holding period for the shares so allotted;

3) to adjust, if applicable, during the acquisition period, to preserve the rights of the beneficiaries, the number of shares allotted free of charge, on the basis of any transactions made that affect the Company's capital and that were approved at any extraordinary meeting of shareholders;

4) and in general, with powers of subdelegation on the terms established by the law and the Company's By-Laws, to enter into any agreements, establish any documents, carry out any formalities and make any statements to any bodies and to take all other necessary action.

The Management Board may use this authorization, on one or more occasions, for a period of thirty-eight (38) months beginning on the date of this Meeting. This new delegation immediately terminates the unused portion and the unexpired period of the delegation granted by the Shareholders' Meeting on June 1, 2005 in the twenty-third resolution.

Twenty-third resolution (Authority to use the authorizations given by the Shareholders' Meeting in the event of a tender offer for Company shares)

Having examined the report by the Management Board, the Shareholders' Meeting authorizes the Management Board to exercise the authority granted in the thirteenth to twenty-second resolutions in the event of a tender offer for the Company's shares, on the terms established by Article L. 233-33 of the French Commercial Code.

This authorization is valid for eighteen (18) months from the date of this Shareholders' Meeting.

Twenty-fourth resolution (Amendment of Article 20 of the By-Laws)

The Shareholders Meeting, after having examined the report by the Management Board, resolves to amend Article 20 of the By-Laws "Representation and admission to Meetings" as follows.

- the first paragraph of Article 20 is unchanged;

- the following paragraphs of Article 20 are canceled and replaced as follows: *"Any shareholder may attend the Meeting in or by proxy, upon proof of his/her identity and of the ownership of his/her shares, in the form of the book entry of his/her shares on the terms set by law."*

Twenty-fifth resolution (Amendment of Article 10 of the By-Laws)

Having heard the report of the Management Board, the Shareholders' Meeting decides to amend section I of Article 10 of the By-Laws "Appointment – Removal – Term of Office– Age Limit, Replacement – Compensation," by replacing the current text: "*The Company shall be managed by a Management Board composed of a minimum of two members and a maximum of five members, all of whom must be individuals and may but need not be shareholders, and shall be appointed by the Supervisory Board…*" with the following text: "*The Company shall be managed by a Management Board composed of a minimum of two members and a maximum of* seven *members, all of whom must be individuals and may but need not be shareholders, and shall be appointed by the Supervisory Board…*"

Twenty-sixth resolution (Amendment of Article 12 of the By-Laws)

Having heard the report of the Management Board, the Shareholders' Meeting decides to delete the last paragraph of section I of Article 12 of the By-Laws ("Powers – Relationships with Third Parties") and to replace it with the following text: *"However, as an internal measure, and one that is not binding on third parties, the Supervisory Board shall, at its meeting held to review the financial statements for the past fiscal year, specify which of the transactions referred to in paragraphs 1 to 16 shall require its prior consent, until it decides otherwise, and shall inform the Management Board thereof."*

It decides that this amendment of the By-Laws shall exceptionally take effect for the first time at the meeting of the Supervisory Board that follows the approval of this resolution without waiting for the meeting held to review the financial statements for the current fiscal year.

Resolutions falling within the prerogatives of the Ordinary and Extraordinary Shareholders' Meeting

Twenty-seventh resolution (Powers)

The Shareholders' Meeting grants full powers to the bearer of a copy or extract of the Minutes of this Shareholders' Meeting for filing all documents and performing all legal publicity and other formalities required.

❹ BRIEF PRESENTATION OF THE GROUP AND PUBLICIS GROUPE S.A.'S SITUATION FOR FISCAL YEAR 2006

At Publicis, the 2006 financial year will be remembered for a compelling move into digital communications with the acquisition of Digitas Inc. and continued firm business performances. Organic growth came in at 5.6% and the operating margin rose 60 basis points to 16.3% while net income rose almost 15%. Finally, turning to capital structure, average net debt was at a new low of €636 million and free cash flow reached €544 million.

On December 20, 2006, Publicis Groupe made a friendly offer for Digitas Inc., meeting rapid success with nearly 93.7% of Digitas shares tendered by January 24, the date of the first official closing. Publicis Groupe has thus been able to win a major place in digital communications on US and world markets in a single move, by the same token gaining an additional driver for future growth. Digitas not only offers our clients access to invaluable new technological and business resources, but also gives the Group the benefit of a unique store of talent in digital communications, with unmatched capacity for recruitment and identification of promising targets for future acquisitions. Digitas Inc. is thus well placed to make a decisive contribution to our Group's future growth.

Other initiatives in the field of new technologies also came to fruition in 2006, among them, on the one hand, the launch of Denuo, a strategic move designed to anticipate emerging trends and make the most of opportunities in the rapidly changing world of interactive and mobile communications, and on the other hand, the launch of OnSpot Digital Network, a dedicated high-definition cable service broadcasting lifestyle, news and special feature programs together with general advertising for display in the Simon Malls Trade Centers in major US cities. Publicis Groupe has also acquired two agencies: Moxie Interactive, a company based in Atlanta that specializes in interactive media buying and consultancy, and Pôle Nord, a French leader in key words search optimization for internet marketing.

Over the course of 2006, we also finalized several projects in a number of major emerging markets or in certain fields of marketing services. We acquired a 60% majority interest in Solutions Integrated Marketing Services, the leading marketing services agency in India. We completed the acquisition of 80% of Betterway Marketing Solutions, one of the largest marketing services agencies in China. We acquired Emotion, one of the main event communication groups in Asia (present in eight countries and especially active in China and Japan). We also acquired Duval Guillaume, the leading independent advertising and marketing services agency in Belgium. We also acquired a majority controlling stake in Capital MS&L in the United Kingdom, a financial communications agency as well as a majority interest in Yorum, Allmedia, Bold and Zone, which is among the most creative and dynamic Turkish communication agencies.

In healthcare communications, the Group acquired BOZ, consolidating its position in France.

Furthermore, on February 15, 2006, Publicis and Dentsu announced, in the framework of our strategic alliance, a business cooperation agreement covering France and Germany. Under this agreement Paname (France) and BMZ+more (Germany) will play a pivotal role in the relationship with Japanese advertisers in these two markets

In creative terms, a highlight of the year was the 53rd annual International Advertising Festival in Cannes, where Publicis Groupe beat all earlier successes to sweep 94 Lions up from 66 last year. Awards included two Grand Prix, 23 Gold, 21 Silver, 43 Bronze and three Promo Lions, the last an all-new category. The Group also won a Young Creative Award and a Special Award. Saatchi & Saatchi was the Group's top-ranked network with 37 awards, and came in second overall in the Festival, just a few points short of the winner. It was followed by Leo Burnett with 29 Lions, then Publicis, with 16 — its best performance ever, with Marcel, not even a year old, already in the winner's circle. Fallon won four Lions, including the Grand Prix in outdoor advertising, and BBH one Lion. Starcom MediaVest Group and ZenithOptimedia received awards for press advertising. Altogether, Publicis Groupe ranked third this year, behind Omnicom and WPP. In addition, it was the Festival's best performer in the film category and its networks in the Asia-Pacific region all made strong showings, particularly in Australia and Singapore. Finally, Publicis Groupe won most awards for pro bono campaigns, demonstrating the commitment of our agencies to good corporate citizenship and their support for causes in the public interest.

The Group

Revenues

Consolidated revenues of Publicis for the year ended December 31, 2006 were €4,386 million, an increase of 6.3% from €4,127 million for the year ended December 31, 2005. The principal reason for this increase was organic growth (5.6%), with changes in the scope of consolidation (notably in revenues generated by specialized agencies and agencies in emerging countries) also accounting for an increase of €32 million. The impact of converting revenues of companies outside the euro zone into euros was slightly negative (a decrease of €7 million over this period). The average dollar exchange rate against the euro decreased by 1% from 2005 to 2006, but this trend reversed itself in the third quarter.

Revenues by business line

The distribution of the Group's revenue by business line reflects the Group's strategy of concentrating on its businesses with strong growth potential, and in particular SAMS. The share of SAMS in the Group's overall revenues increased in 2006, in particular due to the acquisition of specialized agencies. The following table shows the percentage of the Group's revenues in 2005 and 2006 realized in each of the three main business lines:

	2006	**2005**
Traditional Advertising	44%	46%
SAMS	30%	28%
Media	26%	26%

Revenues by region

Revenues in 2006 increased across all regions, and especially in emerging countries (Africa, the Middle East, Latin America, Asia Pacific and Eastern Europe), which represented 21.0% of revenues in 2006, compared to 20.1% in 2005. The following table shows the allocation of the Group's revenue by region in 2005 and 2006:

	2006	**2005**	**Variation**	
	(Millions of euros)		*Total*	*Organic*
North America	1,842	1,763	4.5%	5.1%
Europe	1,747	1,647	6.1%	5.0%
Asia Pacific	471	435	8.3%	5.3%
Latin America	214	191	12.0%	9.3%
Africa and the Middle East	112	91	23.1%	20.0%
Total	**4,386**	**4,127**	**6.3%**	**5.6%**

Operating Margin

Group operating margin before amortization and depreciation was €820 million in the year ended December 31, 2006, compared to €765 million in the year ended December 31, 2005, representing an increase of 7.2%. Personnel expenses amounted to €2,630 million, or 60% of revenues, in the year ended December 31, 2006, which represented a 50 basis points increase compared to 2005. This increase is mainly due to a necessary recruitment of personnel to service new accounts, the improvement of level of expertise on some teams and the cost of restructuring. The Group's workforce increased by 3.4% over 12 months, totaling 39,939 employees at year-end. On the other hand, other operating expenses as a percentage of revenue fell by 70 basis points (from 22.0% of revenues in 2005 to 21.3% in 2006) increasing modestly in absolute terms from €908 million in 2005 to €936 million in 2006. Total operating expenses (personnel expenses and other expenses) as a percentage of revenues was 20 basis points lower in 2006 compared to 2005.

Depreciation and amortization declined in comparison to the previous year, amounting to €107 million in the year ended December 31, 2006, and declined as a proportion of revenue from 2.8% in 2005 to 2.4% in 2006. This decrease is due to better management of investments over previous years.

Operating margin increased by 9.9% from €649 million in 2005 to €713 million in 2006. During the same period, the operating margin rate (defined as operating margin divided by total revenues) rose by 60 basis points from 15.7% to 16.3%. This improvement is due to the decrease in depreciation and the reduction in other operational expenses which was partially offset by the increase in personnel expenses. The Group's expenses also increased in 2006 due to changes necessary to comply with the Sarbanes-Oxley Act, which amounted to €28 million in 2006 (approximately half of which was non-recurring).

Operating Income

Operating income was €689 million in 2006, compared with €652 million in the previous year (which represented an increase of 5.7%). The 2006 figure reflected amortization of acquisition-related intangibles in the amount of €22 million, an impairment charge of €31 million relating to the Johnston & Associates agency in the United States and the events agency in Austria and other income of €29 million (mostly representing capital gains from the sale of the Saatchi & Saatchi building in the Paris region). In 2005, operating income included €87 million in capital gains from the sale of various assets of Médias & Régies Europe.

Net interest expense and other financial expense

The Group's net financial result, consisting of the net interest expense and other financial expense, was €50 million in 2006, compared with €92 million in 2005. This significant reduction in net financial expense is primarily due to an increase in financial income resulting from increases in interest rates in the U.S. and to an increase in cash and cash equivalents. The cost of the OCEANE 2018 was also reduced following the exercise of the put option in January 2006.

The tax rate was 30.2% in 2006 (compared to 32.0% in 2005). This rate, which places the Group one year ahead of its objectives for 2007, reflects the continuation of efforts by the Group to optimize its tax positions and simplify legal structures. The tax charge for the year was €192 million in 2006, compared to €157 million in 2005. This increase of 22.3% is due to the significant growth in consolidated results before tax, and to certain non-taxable capital gains, which were higher in 2005 than in 2006.

The Group's share of income from companies accounted for by the equity method reached the exceptional level of €22 million in 2006, compared with €11 million in 2005, which was a result largely attributable to contributions by iSe, which registered (during the first quarter) the results of the marketing for the hospitality programs for the 2006 Football World Cup. In early January 2007, the Group announced, together with Dentsu, the dissolution of their subsidiary iSe.
Minority interests totaled €26 million, a slight decrease compared with 2005.

Net income attributable to Publicis Groupe was €443 million in 2006, representing an increase of 14.8% from €386 million in 2005.

Earnings per share were €2.11 in 2006, or €1.97 on a fully diluted basis, which reflected increases from the previous year of 28.6% and 24.1%, respectively. Earnings per share were €1.83 and diluted earnings per share €1.76 in 2005.

❺ PUBLICIS GROUP (PARENT COMPANY OF THE GROUP)

Revenues of the Publicis Groupe consist exclusively of building rentals and management fees for services rendered to subsidiaries of the Group. As of December 31, 2006 revenues totaled €24.4 million, compared with €25.9 million in 2005. This decrease is due to the cessation of Métrobus fees representing €2.1 million.

Financial revenues were €229.1 million in 2006, compared to €772.7 million in 2005. The 2005 revenues were principally due to exceptional dividends distributed by Publicis USA Holdings for €304 million and by Publicis Groupe Investments BV for €222 million. The release of a provision for shares of Publicis USA Holdings of €87 million was also accounted for in 2005.

Operating expenses were €23.8 million in 2006, compared to €29.5 million for the previous year. Financial expense increased to €106.8 million in 2006 from €79 million in 2005, which was partially due to the increase in certain financial revenues excluding dividends.

Current income before tax was €123.6 million in 2006, compared to €690.5 million the previous year.
A net extraordinary loss of €180 million is accounted for within the accounts for the fiscal year 2006, including a capital loss of €200 million on the purchase of nearly 80% of stock warrants reissued at the time of the acquisition of Bcom3 in 2002 and gains of €20 million on the sale of the Saatchi & Saatchi building in Neuilly sur Seine. In 2005, the net extraordinary loss was €470 million, which was due to the capital loss resulting from the anticipated repayment of the Océane 2018 and the capital loss concerning the reduction of capital of Publicis USA Holdings and share contribution of Publicis USA Holdings to MMS USA Holdings.
After taking into account a tax credit of €17.3 million corresponding to the benefit of the consolidation of the Group in France for tax purposes, the net income for the Publicis Groupe, parent company of the group, was €(39) million in 2006, compared to €254 million in 2005.

Full-year outlook

The new year has got off to a favorable start for communications business in most geographical regions, including Europe, where growth is firming. Publicis Groupe naturally stands to benefits from these trends, as well as from its clients' expansion and the volume of new business booked in 2006 and even more in early 2007. Organic growth should get support from a combined level of activity in Europe and North America comparable to that observed in 2006, as well as improved performances on emerging markets. The Groupe's operating margin rate without Digitas should head up over the year as a whole and efforts to reduce average net debt will continue. The priorities for allocations of cash generated by operations will be to quicken the pace of targeted acquisitions, particularly in the field of SAMS and in emerging markets, or to make a further increase in dividends. Integration of Digitas, effective since January 25, 2007, should involve some administrative reorganization, the cost of which should be offset by positive effects.

RESULTS OF PUBLICIS GROUPE S.A. OVER THE LAST FIVE YEARS

	2006	2005	2004	2003	2002
Capital stock at year end					
Capital stock (In thousands of euros)	79,484	78,844	78,188	78,151	78,432
Number of shares in issue	198,709,229	197,109,010	195,471,061	195,378,253	196,081,129
Maximum number of future shares to be issued:					
- Through the exercise of stock options granted	310,510	361,470	441,440	525,080	650,553
- Through the exercise of equity warrants (1)	5,602,699	-	-	-	-
- Through the conversion of bonds (2)	53,650,811	56,362,527	68,921,934	68,921,934	45,749,521
Operations and results for the year					
(In thousands of euros)					
Billings, excluding VAT	20,898	25,574	31,011	17,914	10,997
Net (loss) income, before taxes, depreciation, amortization and provisions	(39,537)	143,611	417,618	(559,520)	(698,213)
Income taxes (credit)	(17,293)	(33,554)	(1,857)	(8,399)	(94)
Net (loss) income after taxes, depreciation, amortization and provisions	(38,996)	254,045	418,108	25,677	(926,174)
Income distributed to shareholders	99,355 (3)	66,137	54,722	50,803	46,871
Earnings per share (in euros)					
Earnings per share after taxes but before depreciation, amortization and provisions	(0.11)	0.90	2.15	(2.82)	(3.56)
Earnings per share after taxes, depreciation, amortization and provisions	(0.20)	1.29	2.14	0.13	(4.72)
Dividends per share	0.50	0.36	0.30	0.26	0.24
Employees (In thousands of euros except headcount)					
Average number of salaried employees	3	3	9	9	5
Gross salary expense	2 951	1 938	2 550	3 183	637
Social charges and benefits (social security, charities, and similar benefits)	1 370	671	699	1 561	476

(1) The equity warrants were not taken into consideration in 2005 and previously because their strike price of 30.50 euros was higher than the stock market price of Publicis shares during these years.
(2) It was assumed that new shares would be issued to redeem both Oceanes and Oranes.
(3) Estimate on the basis of existing shares as at December 31, 2006, including treasury stock.

Joint stock company with a Management Board and a Supervisory Board with a share capital of €79,568,880
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