MAY 29, 2019 10:00 AM

PublicisCinémas
133, avenue des Champs-Élysées
75008 Paris

2019

NOTICE OF MEETING

COMBINED GENERAL SHAREHOLDERS' MEETING

PUBLICIS GROUPE

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PROFILE

Publicis Groupe
The 3rd largest global communications group

The Publicis Group is a world leader in marketing, communications and digital transformation. Present at every stage of the consumer experience, with an integrated offering combining creation, data analysis, consulting and technology, the Publicis Groupe serves its clients through an interdisciplinary, unified and fluid organization that facilitates access to all its expertise worldwide.

Revenue net — **€ 8,969 M**

Headline Groupe net income — **€ 1,107 M**
before IFRS 16
€1,082 M
after IFRS 16

Operating margin — **€ 1,501 M**
before IFRS 16
€1,523 M
after IFRS 16

Headline diluted earnings per share — **€4.72**
before IFRS 16
€4.61
after IFRS 16

Operating margin rate — **16.7%**
before IFRS 16
17.0%
after IFRS 16

Employees approximately — **75,000**

Operations in over — **100 countries**

MESSAGE FROM THE CHAIRMAN OF THE SUPERVISORY BOARD

Maurice Lévy
Chairman of the Supervisory Board

2018 saw Publicis demonstrate its ability to carry out a smooth and successful succession. I see this as a result of the thorough groundwork carried out beforehand with Arthur Sadoun. A succession is always a delicate moment, all the more so in a group like Publicis that has only ever had two CEOs in its ninety-year history. We are delighted to see that this transition played out in perfect harmony for our talents and clients and from the point of view of the Groupe's future.

Arthur Sadoun has surrounded himself with people of very high calibre on the *Directoire* and Management Committee, bodies that are constantly being enriched by new talent and that he is leading brilliantly to transform the Groupe.

The Supervisory Board cultivates real freedom of speech, and diversity of opinion – that Elisabeth Badinter has always encouraged – is a great asset in the Board's role of overseeing the *Directoire*'s management of the company. The terms of office of Véronique Morali and Marie-Claude Mayer are about to expire, and I would like to thank them, on behalf of the Supervisory Board, for their important contributions to the Board and its committees throughout their directorships. For many years, they have watchfully supported the work of the Directoire by way of their active participation at meetings of the Supervisory Board and its committees. Should the AGM approve the submitted proposals, 2019 will see the arrival of new members that will make the Board increasingly international and independent: Antonella Mei-Pochtler, Suzi LeVine and Enrico Letta. The Board is eager to become more European and more international while strengthening its independence by attracting high-profile personalities.

2018 also saw Publicis demonstrate its ability to win new businesses in very difficult market conditions. This year, we were so exceptionally successful that we topped various new business rankings, and won major businesses through pitches in which the Power of One and our strategic game changers played a decisive role. The enthusiasm with which

« We are delighted to see that this transition played out in perfect harmony for our staff and clients and from the point of view of the Groupe's future.»

our new business model has been received by our clients is impressive. We are now truly acknowledged as key partners in their transformation. While this momentum remains to be strengthened if we are to achieve organic growth that meet our expectations, we have already reported record headline EPS this year.

In my view, this performance is all the more remarkable given that the global market is both difficult and uncertain, in every respect. I would therefore like to congratulate Arthur Sadoun, the *Directoire* and all the Groupe's employees who put energy and enthusiasm into their work throughout this year.

Consumer behavior is changing faster than ever before. The impact of new technologies – an increasingly integral part of our daily lives – continues to modify habits and transform lifestyles. Our clients have had to undertake deep, difficult and urgent transformations. We have organized ourselves and invested accordingly, to help and support them through this challenging mission.

This year has also been marked by the heightened importance of corporate responsibility in the decisions taken by our consumers, talents and investors. This is more than a trend, it is a deep shift: commitments made under corporate social responsibility (CSR) have come to play a powerful role in a company's reputation, and CSR has become a full-blown performance indicator. At the same time, the emergence of movements of public opinion denouncing social inequalities, fractures and incomprehension that seem to grow wider and wider, are evidence of the need to reinstate dialogue on these issues.

This transformation of society's expectations of companies has led us to rethink our own commitments, our contribution to society, but also the way we support our clients. It is not claims and talk that consumers want, they want clear-cut, consistent commitments and deeds that we then act upon, and this they expect from all parties involved. Public authorities have risen to meet these expectations – particularly in Great Britain, the USA and France – by imagining new corporate statuses, new types of companies that come closer to reconciling economic performance and the public interest. This "reconciliation" obviously requires investment, and it is important for investors to realize that for companies to be sustainable in a harmonious environment, they must take a more balanced approach to the return on investment.

« Arthur Sadoun, along with the whole management team, has taken decisive strategic and operational steps in terms of the way we manage our large accounts but also to adapt our organizations and upgrade our working methods.»

Publicis is wonderfully positioned to meet these new expectations. Firstly, of course, because we have always championed strong moral values that structure the way we operate, but also because we have been long been committed to causes that are crucial to the progress of our society. Additionally, our own transformation has enabled us to help our clients transform their organizations. Thanks to digital transformation and the customer experience, Publicis is the obvious partner of choice for companies embarking on this virtuous approach with end-to-end consistency in their relations with employees, clients and shareholders alike.

These major shifts, but also the transformations that our clients and their industries are undergoing, are all part of the changes of our markets where competition is more diverse, more fragmented and fiercer than ever before. They push us to accelerate the innovation of our offering and open up new opportunities that we must seized quickly.

« I will be watching very closely, and I know that Arthur Sadoun shares this ambition, to ensure that we continue our efforts in favor of gender equality: our achievements to date are encouraging.»

And that is the rationale behind the strategic plan called Sprint to the Future that we presented in March 2018.

It is essential that we accelerate our transformation if we are to achieve our objectives and so, Arthur Sadoun, along with the whole management team, has taken decisive strategic and operational steps in terms of the way we manage our large accounts but also to adapt our organizations and evolve our working methods. The scale of these changes is so considerable that it requires clear vision, unwavering determination and relentless work, all qualities that the members of Publicis' Supervisory Board, Management Board and our entire management team have in common.

I am convinced this work will continue to deliver results and that our organic growth will soon reflect the changes we have made. I also have every confidence in our people – at every single level of our organization – to implement this strategy day after day.

These transformations and this success would not be possible without the exemplary commitment of Publicis' 75,000 talents behind the Chairman of our Management Board. I am, as is the Management Board, very aware of all the efforts that have been made, of the wonderful results that have been achieved but also of the weakness of our organic growth. I am not alarmed by this as I know the Groupe has the right business model, the talent and the assets to deliver organic growth worthy of our ability. And I am very confident that this will come to pass.

I would like every single one of you to accept our heartfelt thanks for all you have done for Publicis and its clients.

We all agree that our clients are our foremost concern, and this is one of our fundamental values at Publicis, one that guides our work and our transformation. To provide our clients with better service, our people have adapted to new organizations, new forms of competition and even new business skills in some cases. We also owe the success of our new business model to our people, first and foremost. I will be watching very closely, and I know that Arthur Sadoun shares this ambition, to ensure that we continue our efforts in favor of gender equality: our achievements to date are encouraging and we must also continue to develop the talents underpinning Publicis, while continuing to attract new talent whose great variety of skills and experience will contribute to our transformation.

Maurice Lévy
Chairman of the Supervisory Board

MESSAGE FROM THE CHAIRMAN AND CEO OF THE MANAGEMENT BOARD

Arthur Sadoun
Chairman and CEO of the Management Board

2018 will be remembered as an intensive and productive year for our Groupe. Thanks to the outstanding work of our 75,000 talents, we have strengthened our position at the forefront of change in our industry. As pressure intensifies on players in our sector, the model we are building is proving sustainable, geared to the future of our businesses, and already producing results.

How can one not see the countless changes taking place in our industry every day? The growth of digital advertising is showing no signs of slowing down, with spending now exceeding that of traditional advertising on TV and radio combined. Data processing and protection are becoming the lifeblood for advertisers. Brand reputation is becoming an asset that is valued as much as key components of our clients' business. The need for transparency in the media has never been so pressing. Finally, the seamless convergence of marketing transformation and digital transformation meant that some of our clients can no longer tell them apart.

In just 12 months, each of these changes has accelerated at an unprecedented pace. Who would have imagined that Facebook would be summoned before Congress to testify about the privacy of user data? That advertisers would consistently walk away from video sharing websites to protect the integrity of their brands? That each and every media pitch would focus mainly on transparency? That the number of mergers and alliances between creative agencies, consulting firms and data companies would multiply so fast? Or that EU data protection regulation would affect the entire digital value chain so rapidly and would inspire other countries to follow suit?

At Publicis – as throughout our past, under founder Marcel Bleustein-Blanchet and his successor, Maurice Lévy – we have never waited to see what the outcome of new developments would be. Our own transformation, which we began several years back, has positioned us ideally to build the Publicis Groupe of the future and to secure our long-term performance. 2018 enabled us to illustrate this ambition once again.

We began by consolidating our business model. By positioning ourselves at the crossroads of marketing and digital

« At Publicis, as throughout our past, we have never waited to see what the outcome of new developments would be.»

« We are several steps ahead thanks to our new model, and our financial performance has confirmed the Groupe's strength.»

transformation, we have become our clients' indispensable partner in providing real time consumer engagement, connecting data, content and technology. We are the only partner capable of doing this at scale, thanks to the historical know-how of our creative and media networks, combined with the expertise of Publicis Sapient which enables us to transform companies from the inside while delivering on an end-to-end proposition.

This is a winning model. The Groupe distinguished itself in 2018 by winning an unprecedented number of new accounts such as Mercedes-Benz, Campbell's, Marriott, Carrefour, Cathay Pacific, Smucker's, GSK and Fiat-Chrysler, to name a few. This change of paradigm – from a communications partner to a partner in client transformation – has been a commercial success as evidenced by our No. 1 ranking in new business activities in the industry, all categories combined.

We have also delivered a particularly robust financial performance, despite difficult market conditions. With margin up by 60 basis points, the Groupe declared its best ever Earnings Per Share[1], 10% higher than the year before. We took this opportunity to further reinforce the Groupe's financial structure, leaving us cash positive at December 31, 2018. This is a considerable competitive advantage in that we have the means to invest in the businesses upon which the Groupe's future success will be built.

1. Headline diluted EPS, at constant exchange rates and before IFRS 16 is applied.

We have also put our talents at the heart of our organization, more so than ever before. In this race to innovate and reinvent through our ideas, talent is our most valuable asset as we will only succeed together. We must therefore listen to our people and ensure they flourish – this must be our obsession.

This was the spirit in which we presented – at *Vivatech* in May 2018 – the first version of *Marcel*, the Groupe's platform at the service of its employees, which will use artificial intelligence to help our employees work closer together and boost their potential. This platform, named as a tribute to Groupe founder Marcel Bleustein-Blanchet, has already achieved a number of successes. With M-Labs, the alpha version of Marcel, a young team of creatives who had never been to the USA, produced the 2018 Oscars campaign for Walmart, the campaign considered by *Time Magazine* as the best of the event. *Marcel* is also proof that the Groupe is at the cutting edge of innovation and that it is transforming itself to serve its clients even better than before. It played an important part in GSK's decision to entrust its global media and digital business to Publicis last October, as mentioned to the press by GSK's Chief Digital Officer.

Marcel will also host our new training and development program. It was launched in early 2019 following a process which identified the needs of the organization and the best experts who could share and further develop our skills. It places our most innovative activities – that will ensure the Groupe's future success – at the very heart of the experience. With this program, our ambition is to enable everyone to enhance their skills, drive their own futures and propose the most innovative solutions to our clients.

Hence, 2018 will indeed be remembered as an intense and productive year. We are a few steps ahead thanks to our new model, and our financial performance is proof of the Groupe's strength. However, there is still a long way to go before we can be satisfied with ourselves. Let's face it, our organic growth – which has been impacted by the attrition among some of our key clients – does not live up to our ambitions. We have the right business model, we must now deploy it at scale to achieve a higher rate of profitable organic growth. Based on everything we have already achieved, we now have the recipe for success, i.e. to accelerate our transformation. Organic growth is our top priority, and this is where all our efforts focused on. To this end, we have defined four operational projects for the next few months.

The first is the development of our Game Changers, i.e. the businesses of the future in our industry in data, dynamic creativity and digital transformation of companies. Launched during March 2018 at the presentation of our Sprint to the Future strategic plan, we placed them at the heart of the model to ensure that they permeate all of the Groupe's activities. They may only represent 12% of our revenue, but the impact they have on our operations is much more far-reaching, as evidenced by the critical role they played in gaining new accounts in 2018. This strategy is producing results, our Game Changers not only grew by 28% in 2018, they will be an important source of growth driver over the next few years. To accelerate the large-scale transition, in early 2018 we implemented global practices in marketing transformation as well as industry verticals in business transformation to facilitate the roll-out to all countries for all our clients. All Groupe assets are aligned to focus on a single goal: organic growth.

« Organic growth is our top priority, and this is what all our efforts must seek to achieve.»

The second project is the launch of the country model in all our markets. Now all countries have a single management team overseeing all of Groupe's expertise and capable of providing clients with seamless access to our diverse range of solutions. We will implement this model in greater depth as this is the best way to meet the needs of our clients by bringing to life, the combination of creativity, data and technology in each of our markets. This is also a very powerful instrument for growth as it fosters cross-fertilization.

Our third undertaking is the organization we have set up to serve our top clients. They benefit from a single point of contact, a Groupe Client Leader (GCL), who will provide them with accessibility to the Groupe's wide range of resources. The GCLs will be supported by the newly-appointed EVP Global Client who will connect them with the different marketing transformation practices and industry verticals in business transformation. The GCLs will roll out our model with all our top clients – returning to growth by benefitting from the consolidation of their partners and gaining market share.

Lastly, we will accelerate the expansion of our Game Changers through bolt-on acquisitions. This is what we did in 2018 with Payer Sciences in the USA, and with Xebia and Soft Computing in France. We will continue to do so, in order to remain at the forefront of our industry in terms of skills and to have the capacity to meet our clients' demands around the world.

As illustrated by 2018 and as confirmed by the first few months of 2019, the Groupe is determined to transform itself to ensure long-term success. At a time when consumers, clients and our business have never changed so rapidly, this transformation is becoming increasingly necessary every day. On the back of the strength of our financial performance, our commercial success and the highly positive feedback from our clients, we are very confident about keeping up with this dynamic momentum. The Groupe is reinventing itself which is critical to ensure that our *raison d'être* of becoming our clients' trusted partner continues to ring true. Thanks to the commitment of the Groupe's 75,000 talents, we give them further reasons to choose Publicis as their partner of choice.

Arthur Sadoun
Chairman and CEO of the Management Board

PUBLICIS 2020

Sprint to the Future

Founded in 1926, Publicis Groupe has become the world's third largest communications group. Throughout its history and its many changes, Publicis Groupe has been guided by one absolute priority, one obsession: the needs of its clients!

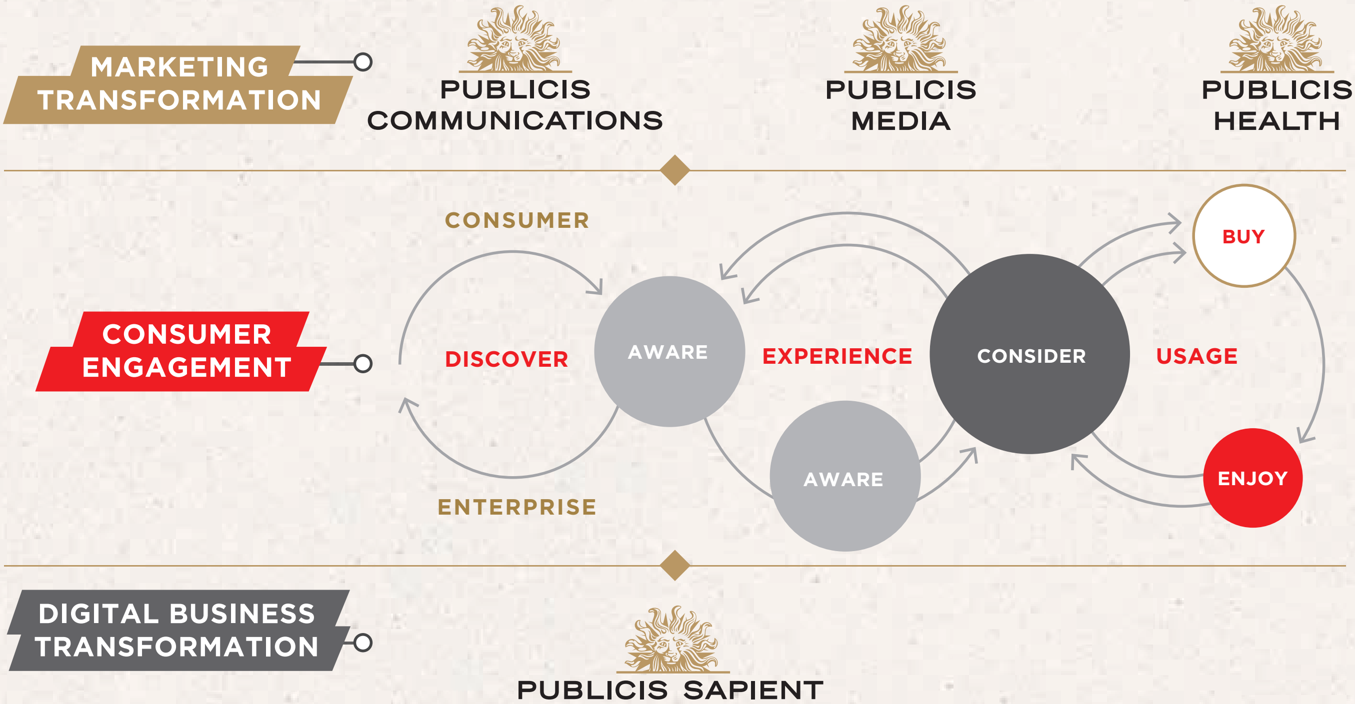
Clients' needs are at the heart of the Publicis Groupe's business model. Companies today are faced with enormous challenges and tremendous opportunities: new technologies have transferred power to consumers, redefining ways of communication, disrupting the landscape and the role of the media, and facilitating the emergence of new competitors. Against this backdrop, Publicis Groupe is positioning itself **as a partner to clients' transformation** through their communications and marketing, their media plan and implementation, their strategy and data management, as well as through the redesign of their activities and operations using digital technology.

Publicis Groupe is in a position to offer a whole range of solutions to clients in its key markets: creative solutions with "Publicis Communications", media solutions with "Publicis Media", digital solutions with "Publicis Sapient" and healthcare sector solutions with "Publicis Health". The Group brings together its wide range of expertise under a simplified country approach to create a "seamless" offer that addresses all of its clients' needs.

Thanks to a powerful alchemy of creativity and technology, Publicis Groupe steers the transformation of its clients' businesses across the value chain. The Groupe is present at every stage of the consumer experience to enhance its client's image and appeal: from brand discovery, which is often digital, through to the act of purchasing, online or in physical stores. Digital has changed the way in which consumers and brands interact: it has brought consumers closer to brands by removing the gap between image and experience. The success of brands now resides in the harmony that they are able to create throughout the entire consumer journey: all brand communications must be supported by commercial excellence (product quality, distribution channel, etc.) and each business activity, particularly online, needs to have emotional added value to set it apart from its competitors. The challenge for clients is thus to re-imagine consumer engagement, offering personalized experiences at scale.

Personalized consumer engagement at scale has long been the holy grail for advertisers. By making innovation central to its organization, Publicis Groupe is now able to deliver it for its clients. The Groupe has developed three game changers: data, dynamic creativity and digital transformation, which provide quantitative, emotional and technological expertise to reinvent our clients' relationships with their consumers by personalizing the experience across all brand touchpoints. These game changers give the Groupe a key competitive edge in the industry in terms of expertise and service offering - playing a critical role in winning new businesses in 2018 and are a testament to the relevance and attractiveness of the model developed by the Groupe.

Through personalized consumer engagement at scale, **the transformation of corporate marketing** is therefore – more than ever – tied to **their digital transformation.** Publicis is currently best placed to become the leader of the new market born out of this convergence.


MARKETING TRANSFORMATION
PUBLICIS COMMUNICATIONS
PUBLICIS MEDIA
PUBLICIS HEALTH
CONSUMER ENGAGEMENT
CONSUMER
DISCOVER
ENTERPRISE
AWARE
EXPERIENCE
AWARE
CONSIDER
USAGE
BUY
ENJOY
DIGITAL BUSINESS TRANSFORMATION
PUBLICIS SAPIENT

WHAT YOU NEED TO KNOW...

Key 2018 figures (before IFRS 16)

Publicis Groupe's net revenue rose to 8,969 million euro in 2018. Organic growth was +0.8%*, a slight improvement in comparison with 2017. The operating margin rate represented 16.7% of the net revenue, up 60 basis points over the last 12 months. It reached to 1,501 million euro. The headline Groupe net income was 1,107 million euro up 6.8%.

NET REVENUE[1] AND ORGANIC GROWTH

	2016 REVENUE	2017 REVENUE	2018 REVENUE
Revenue	€9,733 M	€9,690 M	€8,969 M
Organic growth	+0.7%	+0.8%	+0.1% / +0.8%*

1. 2016 and 2017, revenue before application of IFRS 15.

/ Operating margin

Euro million and % of revenue (2016 and 2017) and net revenue in 2018

	%	Euro million
2018	16.7%	1,501
2017	15.5%	1,505
2016	15.6%	1,510

17.0% operating margin rate and €1 523M operating margin after IFRS 16 implementation.

/ Headline Groupe net income

Euro million

2018	1,107
2017	1,037
2016	1,015

€1,082M after IFRS 16 implementation.

/ Free cash flow before change in WCR

Euro million

2018	1,182
2017	1,287
2016	1,261

€1,158M after IFRS 16 implementation.

/ Payout ratio

In %

2018	44.9%
2017	44.4%
2016	41.5%

/ Headline diluted earnings per share

Euro

2016	2017	2018
4.46	4.50	4.72

Headline diluted earnings per share was 4.72 euros up 10.3% at constant currency.

€4.61 after IFRS 16 implementation.

/ Dividend per share

Euro

2016	2017	2018
1.85	2.00	2.12

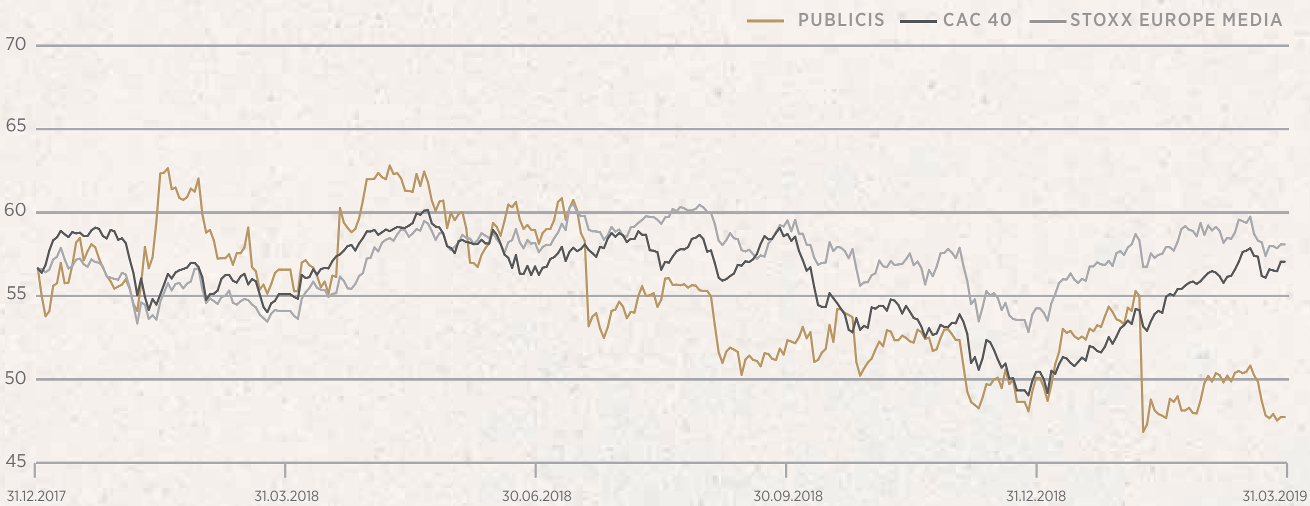
The proposed dividend of 2.12 euros per share represents an increase of 6.0% and a 44,9% payout ratio.

** Excluding Publicis Health Services (PHS) as an agreement of disposal was signed on December 31, 2018.*

REVENUE NET BY GEOGRAPHY *(in %)*

Europe reported organic growth excluding PHS at +1.3%. Growth has accelerated since the end of June, mainly due to the ramp-up of accounts gained in the earlier part of the year, particularly Daimler and Carrefour. This is the broader context within which Germany returned to positive growth, especially in the second half of the year (+10.9% in Q4), whilst growth accelerated in France (+3.8% for the full year, after +0.7% at June 30) and in the UK (+3.8% excluding PHS for the full year versus +1.8% at June 30). North America posted organic growth of -0.8% in 2018. When the impact of PHS is factored out, organic growth stands at +0.5% thanks to accounts awarded in 2017 (including McDonald's, Diesel, Lionsgate, Molson Coors and Southwest) and the win of Campbell's and Marriott in early 2018, and despite pressures in the traditional advertising. North America is impacted by the difficulties encountered by Publicis Health Services. Asia Pacific reported organic growth of -1.8%. Most of this negative performance was due to Australia (-4.7%), which was affected in the first half-year by the non-renewal by Qantas of its call center management contract. China saw its growth decline slightly (-1.3%) due to the loss of certain accounts. Singapore saw its Net revenue grow by 3.9% in 2018. Latin America posted organic growth of +4.5%. Brazil saw its Net revenue progress by 1.1% thanks to the gain of the Petrobras and Bradesco accounts. Mexico continued to record sustained growth (+5.5%). The Middle East & Africa reported organic growth of +4.6%.

COMPARATIVE CHANGES IN SHARE PRICE SINCE JANUARY 1, 2018 *(Euros)*



2018 was a particularly challenging year for all stock markets, whose performances were marked by uncertainties on a potential global economic slowdown, the successive interest rate increases in the US and the political uncertainties in Europe, with the prospect of a hard Brexit in the UK.) In 2018, Publicis Groupe share price evolution was broadly in line with the evolution of the CAC 40, reflecting moderate organic growth, but a solid model as exemplified by the progression of other indicators such as operating margin, earnings per share and free cash flow, in line with what the Groupe had committed to at the time of the presentation of its strategy at the Investor Day in March 2018. This performance takes place in a context of deep evolution in sector dynamics, where the offer of Publicis Groupe relies on the marketing and business transformation in order to help its clients meet their challenges.

WHAT YOU NEED TO KNOW...

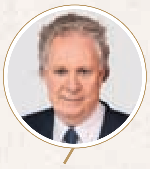
About governance and how it has changed

SUPERVISORY BOARD

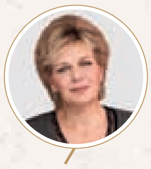
Maurice Lévy
Chair of the Supervisory Board
Member of the Compensation Committee
Member of the Strategy and Risk Committee
Member of the Nominating Committee

Elisabeth Badinter
Vice-Chair
of the Supervisory Board
Chair of the Nominating Committee
Member of the Strategy
and Risk Committee

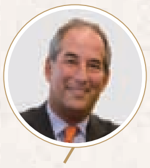
Simon Badinter
Member
of the Supervisory Board



Jean Charest
Chair of the Audit Committee
Member of the Nominating
Committee



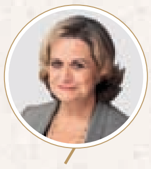
Sophie Dulac
Member
of the Supervisory Board



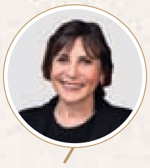
Thomas H. Glocer
Member of the Compensation
Committee
Member of the Strategy
and Risk Committee

Marie-Josée Kravis
Chair of the Strategy and Risk
Committee
Member of the Nominating
Committee

André Kudelski
Chair of the Compensation
Committee
Member of the Nominating
Committee
Member of the Audit Committee



Marie-Claude Mayer
Member of the Strategy
and Risk Committee



Véronique Morali
Member of the Compensation
Committee
Member of the Audit
Committee

Cherie Nursalim
Member of the Compensation
Committee

Pierre Pénicaud
Member of the Supervisory Board
representing the employees
Member of the Strategy and Risk
Committee

The Supervisory Board is composed of twelve members (including one member representing employees) of whom 55% are women (6/11) [1], 45% are independent members (5/11) [1] [2] and 45% are foreign nationals (5/11) [3].

It met six times in 2018, with a participation rate of 95% among its members.

Detailed information concerning the members of the Supervisory Board is provided in the 2018 Registration Document [4] in section 3.1.1.1, "Composition of the Supervisory Board on December 31, 2018".

(1) Pursuant to the law and the Afep-Medef Code, the members of the Supervisory Board representing the employees are taken into account nor for the calculation of the percentages relating to gender balance, nor for the counting of independent members.
(2) In line with the commitment taken by Publicis Groupe to increase as soon as possible the proportion of independant members of the Supervisory Board, following the general shareholders' meeting of May 29, 2019, the rate will increase to 66% if the appointment of three new independent members is approved.
(3) Excluding member representing the employees.
(4) The 2018 Registration Document is available on the Publicis Groupe website (www.publicisgroupe.com) and on the French Financial Markets Authority ("Autorité des Marchés Financiers – AMF") website (www.amf-france.org).

Changes in the composition of the Supervisory Board

The terms of office as members of the Supervisory Board of Marie-Claude Mayer and Véronique Morali will expire at the end of the general shareholders' meeting on May 29, 2019. The Supervisory Board has expressed its warmest thanks and gratitude to them for their valuable contribution to the work at the Board and its committees throughout their term of office.

Publicis Groupe S.A. being constantly seeking to improve the composition of its Supervisory Board, the Board wished to strengthen its international dimension and the percentage of independent members pursuant to its commitment made at the 2018 general shareholders' meeting.

On the recommendation of the Nominating Committee, we submit for your approval the appointment of three new independent members, Antonella Mei-Pochtler, Suzan LeVine and Enrico Letta, for a four-year term of office expiring at the end of the general shareholders' meeting convened to vote on the financial statements for financial year 2022. Their appointment will serve to strengthen the diversity of skills and nationalities represented within the Supervisory Board and will increase the number of independent members.

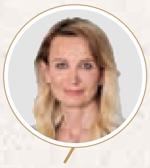
Proposed appointments

▶ Resolution 18

Proposed appointment of Antonella Mei-Pochtler

The experience of Antonella Mei-Pochtler notably at the helm of BCG in Germany and her role in developing digital practices will be major assets for the Supervisory Board.

▶ We propose that you approve the appointment of Antonella Mei-Pochtler as member of the Supervisory Board.



Born on May 17, 1958, of Italian nationality, Antonella Mei-Pochtler is a Senior Leader with extensive experience in the Consumer, Media and Technology sectors. She has held key leadership positions within The Boston Consulting Group (BSG) at European and global level and has focussed her activities in digital transformation, strategy and organization. Named a Top 25 Global Consultant by *Consulting* magazine, she was awarded the Women Leaders in Consulting Lifetime Achievement Award in 2013. She is involved in a wide range of activities and social causes, especially on educational equity. She serves as Deputy Chairwoman of Westwing AG, on the Board of DKMS and Teach For All. She is also a cofounder of BCG's education project Business@School, for which she earned the German president's Freedom and Responsibility Award in 2002. For more than twenty years, she has organized the Brand Club, a top branding and media-focused conference for CEOs in Germany. She is currently the Head of Think-Austria, the Strategy & Planning Unit of the Federal Chancellor of Austria.

▶ Resolution 19

Proposed appointment of Suzan LeVine

Suzan (Suzi) LeVine, a qualified engineer who has held positions in strategy and education at Microsoft but also in marketing and communications at Expedia, or more recently as US Ambassador to Switzerland and Liechtenstein. She is currently Commissioner for the Washington State Employment Security Department. Her experience in technology and digital, combined with her interest in Artificial Intelligence will be of particular interest to the Board.

▶ We propose that you approve the appointment of Suzan LeVine as member of the Supervisory Board.

Born on November 17, 1969, of US nationality, Suzan (Suzi) LeVine was appointed as Commissioner for the Employment Security Department in 2018. She served as US Ambassador to Switzerland and Liechtenstein from 2014 to 2017. She has also channeled her passion for apprenticeship and careers by serving on the Career Connect Washington Task Force, the CareerWise Colorado board, the Markle Foundation's Rework America Task Force, and the ETH (a Swiss university) Center on the Economics and Management of Education and Training (CEMETS) Advisory Board. Her previous positions focused on education, technology, community, innovation, travel, social responsibility, and youth outreach. She has worked at Microsoft and at Expedia as a Vice President for Sales and Marketing in Luxury Travel. She co-founded two non-profit organizations – The Kavana Cooperative and an advisory board for the Institute for Learning and Brain Sciences (ILABS) at the University of Washington. She is a graduate of Brown University with a Bachelor of Arts in English and a Bachelor of Science in mechanical engineering with aerospace applications.

Resolution 20
Proposed appointment of Enrico Letta

Enrico Letta, after a career in politics during which he was successively a Member of Parliament, Minister and then President of the Italian Council, is currently Dean of the Paris School of International Affairs at Sciences Po in Paris. His expert knowledge of international affairs will be especially useful to the Board.

We propose that you approve the appointment of Enrico Letta as member of the Supervisory Board.

Born on August 20, 1966, of Italian nationality, Enrico Letta has been Dean of the Paris School of International Affairs (PSIA) at Sciences Po Paris since September 2015. In July 2016, he became President of the Jacques Delors Institute. He was Minister of European Affairs from 1998 to 1999, then Minister of Industry, Trade and Crafts from January to April 2000. He served as Minister of Industry and Foreign Trade from 2000 to 2001, then as Under-Secretary of State to the Prime Minister, Romano Prodi, from 2006 to 2008. From 2001 to 2015, he was a Member of the Italian Parliament, except in 2004-2006 when he was a Member of the European Parliament. He was also Deputy Secretary of the Democratic Party from 2009 to 2013. From 2013 to 2014, he was Prime Minister of Italy. Enrico Letta graduated in International Law from the University of Pisa (his home town) and holds a Doctorate in European Community Law from the Sant'Anna School of Advanced Studies in Pisa.

If you approve the 18th to 20th resolutions, the Supervisory Board will, following the general shareholders' meeting of May 29, 2019, be composed of thirteen members (including an employee representative) of whom 50% will be women (6/12) (1), 66% independent members (8/12) (1) and 66% foreign nationals (8/12) (2).

(1) Pursuant to the law and the Afep-Medef Code, the members of the Supervisory Board representing the employees are taken into account neither for the calculation of the percentages relating to gender balance, nor for the counting of independent members.
(2) Excluding member representing the employees.

WHAT YOU NEED TO KNOW...

about governance and how it has changed

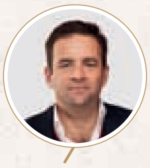
At its meeting on September 12, 2018, the Supervisory Board renewed the terms of office as Chair of the Management Board of Arthur Sadoun, and the terms of office as members of the Management Board of Anne-Gabrielle Heilbronner, Jean-Michel Etienne and Steve King, for a period of four years, until September 14, 2022. Jean-Michel Etienne's term of office will end on December 31, 2020.

MANAGEMENT BOARD

Arthur Sadoun
CEO
Chair of the Management Board

Jean-Michel Etienne
Executive Vice President
Groupe Chief Financial Officer

Anne-Gabrielle Heilbronner
Secretary General



Steve King
COO Publicis Groupe
CEO Publicis Media

The Management Board met 14 times in 2018.

It is assisted in its management role by the Executive Committee and the Management Committee, which bring together the Groupe's main executives around the Management Board to oversee operations and the execution of the strategy.

Detailed information concerning the members of the Management Board is provided in the 2018 Registration Document in section 3.1.1.2, "Composition of the Management Board on December 31, 2018".

The detailed composition of the Executive Committee and Management Committee is indicated in the 2018 Registration Document in section 3.1.2, "Management committees".

WHAT YOU NEED TO KNOW...

Resolutions relating to the corporate officers

Related-party agreements and commitments and compensation of corporate officers

Related-party agreements and commitments for the benefit of members of the Management Board

Further to the renewal of the term of office of the members of the Management Board, the Supervisory Board renewed on September 12, 2018 the commitments relating to the end of term of office or severance granted to Anne-Gabrielle Heilbronner, Arthur Sadoun, Jean-Michel Etienne and Steve King. The Supervisory Board ensured that the severance payment conditions are adapted in accordance with the recommendations of the Afep-Medef Code and the best practices. The Supervisory Board wished to take into account the governance rules of Publicis' shareholders and of the proxy voting advisors. The Statutory Auditors were informed of these commitments as related-party commitments under article L. 225-90-1 of the French Commercial Code.

The detail of the severance payments is available in the 2018 Registration Document in sections 3.2.2.2 for the Chair of the Management Board and 3.2.2.3 to 3.2.2.5 for the other members of the Management Board. These commitments are also mentioned in the Statutory Auditors' special report on regulated agreements and commitments (section 3.4 of said Registration Document).

These commitments are submitted to your approval by way of a specific resolution for each beneficiary:

- **Resolution 5:** Arthur Sadoun, Chair of the Management Board.
- **Resolution 6:** Jean-Michel Etienne, member of the Management Board.
- **Resolution 7:** Anne-Gabrielle Heilbronner, member of the Management Board.
- **Resolution 8:** Steve King, member of the Management Board.

We remind you that, previously, commitments granted to Anne-Gabrielle Heilbronner and Jean-Michel Etienne relating to a severance payment were approved by the general shareholders' meeting of May 27, 2015. Commitments relating to a severance payment granted to Arthur Sadoun and Steve King were approved by the general shareholders' meeting of May 31, 2017.

Compensation of corporate officers

Elements of compensation and various benefits paid or awarded in respect of the 2018 fiscal year *(ex post vote)*

The purpose of **Resolutions 9 to 13** is to allow us to obtain your approval on fixed, variable and exceptional elements of compensation and the various benefits paid or awarded in respect of the 2018 fiscal year to the Chair of the Supervisory Board, the Chair of the Management Board and the members of the Management Board.

- **Resolution 9:** Maurice Lévy, Chair of the Supervisory Board.
- **Resolution 10:** Arthur Sadoun, Chair of the Management Board.
- **Resolution 11:** Jean-Michel Etienne, member of the Management Board.
- **Resolution 12:** Anne-Gabrielle Heilbronner, member of the Management Board.
- **Resolution 13:** Steve King, member of the Management Board.

These elements of compensation are set out in the 2018 Registration Document in section 3.2.3.2 "Elements of compensation paid or awarded to corporate officers in respect of the 2018 fiscal year, and submitted to the ordinary general shareholders' meeting for approval".

These elements of compensation have been paid or awarded pursuant to the compensation policy approved by the shareholders' meeting on May 30, 2018.

If the general shareholders' meeting decided not to approve these resolutions, it will not be possible to pay in 2019 the variable or exceptional elements of compensation awarded in respect of the 2018 fiscal year to the Chair of the Management Board and the members of the Management Board.

Principles and criteria governing compensation in respect of fiscal year 2019 *(ex ante vote)*

The **Resolutions 14 and 15** submit to your approval the principles and criteria governing the setting, apportionment and attribution of the fixed, variable and exceptional compensation comprising the total compensation and various benefits attributable to the Chair and the members of the Supervisory Board in respect of fiscal year 2019.

- **Resolution 14:** to the Chair of the Supervisory Board.
- **Resolution 15:** to the other members of the Supervisory Board.

These principles and criteria governing compensation are provided in the 2018 Registration Document in section 3.2.1.2 "Principles and criteria for the compensation of the Chair of the Supervisory Board" and section 3.2.1.1 "Principles and criteria for the compensation of members of the Supervisory Board".

The **Resolutions 16 and 17** submit to your approval the principles and criteria governing the setting, apportionment and attribution of the fixed, variable and exceptional compensation comprising the total compensation and various benefits attributable to the Chair and the members of the Management Board in respect of fiscal year 2019.

- **Resolution 16:** to the Chair of the Management Board.
- **Resolution 17:** to the other members of the Management Board.

These principles and criteria governing compensation are provided in the 2018 Registration Document in section 3.2.2.1 "Principles and criteria for the compensation of members of the Management Board".

If the general shareholders' meeting decided not to approve these resolutions, compensation would be determined on the basis of compensation attributed for the previous fiscal year or, in the absence of compensation attributed for the previous fiscal year, in accordance with existing practices within the Company.

WHAT YOU NEED TO KNOW...

attending the general meeting

All shareholders, regardless of the number of shares held and the way in which they are held (as registered or bearer shares) are entitled to participate in the general shareholders' meeting, provided that their shares have been registered in an account in their name by the second working day before the shareholders' general meeting, i.e. by May 27, 2019 at 0:00 (Paris time).

▶ If you wish to attend the general shareholders' meeting

Shareholders holding registered shares:

You will be admitted to the general shareholders' meeting on presentation of your admission card, obtained from CACEIS Corporate Trust – Service Assemblées Générales Centralisées – 14, rue Rouget de Lisle, 92862 Issy-les-Moulineaux Cedex 9 - France, or go to the "Shareholders without cards" counter.

Shareholders holding bearer shares:

Ask your authorized financial intermediary to issue a certificate of participation *(attestation de participation)* and to send it with the request for an admission card to CACEIS Corporate Trust – Service Assemblées Générales Centralisées – 14, rue Rouget de Lisle, 92862 Issy-les-Moulineaux Cedex 9 - France. It needs to receive this request, duly completed, by **May 26, 2019 at the latest.**

If you have not received an admission card, you must go to the "Shareholders without cards" counter on the day of the general shareholders' meeting and present your certificate of participation issued on **May 27, 2019 at the latest.** You will need to request this certificate from your financial intermediary in advance.

▶ If you are unable to attend the general shareholders' meeting in person

Two options are available:

Vote using the paper voting form

Shareholders holding registered shares:

You will automatically receive this form with the notice of the meeting sent by CACEIS Corporate Trust.

Shareholders holding bearer shares:

You will need to request this form from your financial intermediary or CACEIS Corporate Trust.

Please return it, duly completed and signed, to be received by CACEIS Corporate Trust by **May 26, 2019** at the latest.

Vote by internet

The secure website, VOTACCESS, allowing you to vote prior to the general shareholders' meeting, will be open from **May 7, 2019 at 8 a.m.** Paris time.

You may vote or appoint a proxy by Internet prior to the general shareholders' meeting until **May 28, 2019, at 3 p.m.** Paris time. However, we recommend that you do not wait until the last minute to log in to the website, due to the time needed to receive certain pieces of information required for the login procedure.

Shareholders holding registered shares:

If you wish to vote by Internet, request an admission card or appoint or remove a proxy online prior to the general shareholders' meeting, please visit the dedicated secure website for the general shareholders' meeting and log in to the OLIS-Shareholder website at: **https://www.nomi.olisnet.com** using your ID code mentioned on the paper voting form or on the electronic invitation. Once logged in, click on the "Vote by Internet" module in order to access to the dedicated secure website for the general shareholders' meeting, VOTACCESS, then vote or appoint or remove a proxy.

Shareholders holding bearer shares:

Not all shareholders holding bearer shares may vote online. Your account manager must have signed up to the dedicated secure website for the general shareholders' meeting, VOTACCESS. If your account manager has not signed up for the VOTACCESS service, you must vote using the paper form or attend the meeting in person.

If your account manager is connected to the dedicated secure website for the general shareholders' meeting, VOTACCESS, log in to your account manager's Internet portal using your normal access codes. Click on the icon that appears on the line for Publicis Groupe S.A. shares and follow the on-screen instructions to access the dedicated secure website for the general shareholders' meeting, VOTACCESS.

COMBINED ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING OF MAY 29, 2019

▶ Ordinary general shareholders' meeting

- Approval of the corporate financial statements for fiscal year 2018 (1st resolution);
- Approval of the consolidated financial statements for fiscal year 2018 (2nd resolution);
- Allocation of net income for fiscal year 2018 and declaration of dividend (3rd resolution);
- Option for payment of dividend in cash or shares (4th resolution);
- Approval of the commitments under Article L. 225-90-1 of the French Commercial Code: severance payment granted to Arthur Sadoun, Jean-Michel Etienne, Anne-Gabrielle Heilbronner and Steve King, members of the Management Board (5th to 8th resolutions);
- Approval of the total elements of compensation and various benefits paid or awarded in respect of the 2018 fiscal year to Maurice Lévy, Chair of the Supervisory Board (9th resolution);
- Approval of the total elements of compensation and various benefits paid or awarded in respect of the 2018 fiscal year to Arthur Sadoun, Chair of the Management Board (10th resolution);
- Approval of the total elements of compensation and various benefits paid or awarded in respect of the 2018 fiscal year to Jean-Michel Etienne, member of the Management Board (11th resolution);
- Approval of the total elements of compensation and various benefits paid or awarded in respect of the 2018 fiscal year to Anne-Gabrielle Heilbronner, member of the Management Board (12th resolution);
- Approval of the total elements of compensation and various benefits paid or awarded in respect of the 2018 fiscal year to Steve King, member of the Management Board (13th resolution);
- Approval of the principles and criteria governing the setting, apportionment and attribution of the fixed, variable and exceptional components comprising the total compensation and various benefits attributable to the Chair of the Supervisory Board in respect of the 2019 fiscal year (14th resolution);
- Approval of the principles and criteria governing the setting, apportionment and attribution of the fixed, variable and exceptional components comprising the total compensation and various benefits attributable to the members of the Supervisory Board in respect of the 2019 fiscal year (15th resolution);
- Approval of the principles and criteria governing the setting, apportionment and attribution of the fixed, variable and exceptional components comprising the total compensation and various benefits attributable to the Chair of the Management Board in respect of the 2019 fiscal year (16th resolution);
- Approval of the principles and criteria governing the setting, apportionment and attribution of the fixed, variable and exceptional components comprising the total compensation and various benefits attributable to the members of the Management Board in respect of the 2019 fiscal year (17th resolution);
- Appointment of Antonella Mei-Pochtler to the Supervisory Board (18th resolution);
- Appointment of Suzan LeVine to the Supervisory Board (19th resolution);
- Appointment of Enrico Letta to the Supervisory Board (20th resolution);
- Renewal of Ernst & Young et Autres's mandate as Statutory Auditor (21st resolution);
- Authorization to be granted to the Management Board entitling the Company to trade in its own shares (22nd resolution).

▶ Extraordinary general shareholders' meeting

• Authorization to be granted to the Management Board to decrease the capital via the cancellation of all or part of the Company's share capital (23rd resolution);

• Delegation of authority to be granted to the Management Board to decide to issue ordinary shares in the Company and/or securities governed by Articles L. 228-92 paragraph 1 and L. 228-93 paragraphs 1 and 3 of the French Commercial Code, without preferential subscription rights, to remunerate the contribution in kind granted to the Company and constituting shares or other equity securities granting entitlement to share capital, except in the case of a public exchange offering (24th resolution);

• Authorization to be granted to the Management Board for the purpose of granting subscription options, entailing a waiver of shareholders' preferential subscription rights, and/or share purchases for employees and/or corporate officers of the Company, or of Groupe companies (25th resolution);

• Delegation of authority to be granted to the Management Board to issue ordinary shares or securities governed by Articles L. 228-92 paragraph 1 and L. 228-93 paragraphs 1 and 3 of the French Commercial Code, without preferential subscription rights, in favor of members of a company savings plan (26th resolution);

• Delegation of authority to be granted to the Management Board to decide to issue ordinary shares or securities governed by Articles L. 228-92 paragraph 1 and L. 228-93 paragraphs 1 and 3 of the French Commercial Code, without preferential subscription rights, in favor of certain categories of beneficiaries (27th resolution).

▶ Ordinary general shareholders' meeting

• Powers (28th resolution).

RESOLUTIONS WITHIN THE POWERS OF THE ORDINARY GENERAL SHAREHOLDERS' MEETING

Resolutions 1 and 2

Approval of the financial statements for fiscal year 2018

PURPOSE

The 1st and 2nd resolutions ask you to approve the corporate financial statements showing a net profit of 42,847,687.92 euro, and the consolidated financial statements which show a net income of 1,019 million euro.

▸ Resolution 1

(Approval of the corporate financial statements for fiscal year 2018)

Acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings, and after having reviewed the reports of the Management Board *(Directoire)* and Supervisory Board *(Conseil de surveillance)*, as well as the Statutory Auditors' report and the corporate financial statements for the fiscal year ended December 31, 2018, the general shareholders' meeting approves the 2018 corporate financial statements, as submitted, which show a net income of 42,847,687.92 euro, as well as the transactions reflected in such financial statements or summarized in such reports.

▸ Resolution 2

(Approval of the consolidated financial statements for fiscal year 2018)

Acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings, and after having reviewed the reports of the Management Board and Supervisory Board, as well as the Statutory Auditors' report and the consolidated financial statements for the fiscal year ended December 31, 2018, the general shareholders' meeting approves the 2018 consolidated financial statements, as submitted, which show net income of 1,019 million euro, as well as the transactions reflected in such financial statements or summarized in such reports.

Resolution 3

Allocation of net income for fiscal year 2018 and declaration of dividend

PURPOSE

In the 3rd resolution, the Management Board proposes that net income for fiscal year 2018 be allocated and that you approve the payment of a dividend of 2,12 euro per share, i.e. an increase of 6% over the previous period and a payout ratio of 44.9% of headline net earnings per share (diluted). The ex-dividend date will be June 25, 2019 and the dividend will be paid on July 23, 2019. During the past three fiscal years, the dividend per share was 1.60 euro in 2015, 1.85 euro in 2016 and 2 euro in 2017.

▸ Resolution 3

(Allocation of net income for fiscal year 2018 and declaration of dividend)

Acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings and pursuant to the proposal of the Management Board, the general shareholders' meeting resolves:

- To appropriate from the income of the 2018 fiscal year amounting to 42,847,687.92 euro an amount of 184,883.04 euro for funding of the legal reserve. Following this appropriation the net remainder amounts to an amount of 42,662,804.88 euro. With the addition of retained earnings of 7,041,271.20 euro as of December 31, 2018, the distributable income amounts to an amount of 49,704,076.08 euro;
- To add to this distributable income an amount of 449,025,502.04 euro from the "Premium Account." The distributable total thus amounts to 498,729,578.12 euro; and
- To attribute these 498,729,578.12 euro to dividend payments on the basis of a dividend of 2.12 euro per share for a total of 235,249,801 shares, including treasury shares as of December 31, 2018.

The ex-dividend date will be June 25, 2019 and the dividend will be paid on July 23, 2019.

In the event of variation in the number of dividend-paying shares between December 31, 2018 and the ex-dividend date, the aggregate amount of the dividend will be adjusted accordingly and the amount allocated to the "Retained earnings" account will then be determined with regard to the dividend actually paid out.

The amount of the dividend to which treasury shares held on the ex-dividend date are entitled will be allocated to "Retained earnings."

The dividend is eligible for the 40% tax allowance referred to in Article 158 3.2° of the French Tax Code *(Code général des impôts)*, for those shareholders entitled to the reduction.

The general shareholders' meeting notes that the following dividends were paid for the past three fiscal years:

- 2015 : 1.60 euro* per share with a par value of 0.40 euro each;
- 2016 : 1.85 euro* per share with a par value of 0.40 euro each;
- 2017 : 2 euro* per share with a par value of 0.40 euro each;

** Eligible for the 40% tax allowance to which individuals who are tax residents in France are entitled in pursuance of Article 158 3.2° of the French Tax Code.*

Resolution 4

Option for payment of dividend in cash or shares

PURPOSE

By adopting the 4th resolution shareholders will have the possibility of choosing between payment of the dividend in cash or in new shares. The issue price of new shares distributed as payment of the dividend shall be equal to 95% of the average closing price of Publicis Groupe S.A. shares on the Euronext regulated market in Paris over the twenty trading days preceding the date of this general shareholders' meeting, less the net amount of the dividend proposed in the 3rd resolution. Options for payment of the dividend in shares must be exercised between June 27 and July 17, 2019 inclusive. After that period, the dividend shall be paid only in cash. For shareholders opting for payment of the dividend in shares, new shares shall be delivered on the date dividends are paid in cash, i.e. July 23, 2019.

▸ Resolution 4

(Option for payment of dividend in cash or shares)

Acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings, and after having reviewed the Management Board's report and found that the share capital is fully paid up, the general shareholders' meeting resolves, in accordance with Articles L. 232-18 *et seq.* of the French Commercial Code *(Code de commerce)* and Article 29 of the Company's Articles of Incorporation, to grant each shareholder, for the entire dividend paid out and in respect of the securities held by the shareholder, the possibility of receiving payment of the dividend either in cash or in new shares, at the shareholder's discretion.

New shares will be fully fungible with old shares as from the date of issue and will thus confer rights to any distribution decided upon as from this date.

The issue price of shares distributed as payment of the dividend will be set at 95% of the average closing price of Publicis Groupe S.A. shares on the Euronext Paris regulated market over the twenty trading days preceding the date of this shareholders' meeting, less the net amount of the dividend proposed in the third resolution, rounded up to the next euro cent.

Each shareholder may opt for either dividend payment method, but whichever option is chosen will apply to the total amount of the dividend in question. Options for payment of the dividend in shares must be exercised between June 27 and July 17, 2019, inclusive, by placing a request with the financial intermediaries authorized to pay this dividend. After that period, the dividend will be paid only in cash.

If the amount of the dividend to be paid in shares does not correspond to a whole number of shares, the shareholder may receive the next highest whole number of shares by paying the difference in cash as of the date the option is exercised, or the shareholder may receive the next lowest whole number of shares plus the difference paid by the Company in cash.

For shareholders who opt for payment of the dividend in shares, the new shares will be delivered to them on the date dividends are paid in cash, i.e. July 23, 2019.

The shareholders' meeting grants the Management Board all powers, including the right to sub-delegate its authority to all authorized persons as permitted by laws and regulations, to take the necessary measures to implement and carry out this resolution and, in particular, to set the issue price of the shares as specified above, to record the number of shares issued and the resulting capital increase, to make the corresponding amendments to the Company's Articles of Incorporation, to take all measures required to successfully complete the operation, and, more generally, to take all useful and necessary measures.

Resolution 5

Approval of the commitments submitted to the related-party agreements procedure and granted to Arthur Sadoun, Chair of the Management Board

PURPOSE

The 5th resolution submits to your approval, pursuant to the related-party agreements procedure, the commitments of the Company made to Arthur Sadoun, Chair of the Management Board, on severance payment due in the event of a forced departure or consecutive to a change of control or strategy, except in cases of serious or gross misconduct, as described in the Statutory Auditors' special report. These commitments were authorized by the Supervisory Board on September 12, 2018.

▶ Resolution 5

(Special report of the Statutory Auditors on related-party agreements and commitments; approval of the commitments under Article L. 225-90-1 of the French Commercial Code granted to Arthur Sadoun, Chair of the Management Board)

Acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings and having reviewed the Statutory Auditors' special report on related-party agreements referred to in Article L. 225-86 of the French Commercial Code, the general shareholders' meeting acknowledges the conclusions of said report and approves, pursuant to Article L. 225-90-1 of the French Commercial Code, commitments authorized by the Supervisory Board on September 12, 2018 on severance payment for members of the Management Board due to Arthur Sadoun, in the event of a forced departure or consecutive to a change of control or strategy, except in cases of serious or gross misconduct.

Resolution 6

Approval of the commitments submitted to the related-party agreements procedure and granted to Jean-Michel Etienne, Member of the Management Board

PURPOSE

The 6th resolution submits to your approval, pursuant to the related-party agreements procedure, the commitments of the Company made to Jean-Michel Etienne, Member of the Management Board, on severance payment due in the event of a forced departure consecutive exclusively to a change of control or strategy, except in cases of serious or gross misconduct, as described in the Statutory Auditors' special report. These commitments were authorized by the Supervisory Board on September 12, 2018.

▶ Resolution 6

(Special report of the Statutory Auditors on related-party agreements and commitments; approval of the commitments under Article L. 225-90-1 of the French Commercial Code granted to Jean-Michel Etienne, member of the Management Board)

Acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings and having reviewed the Statutory Auditors' special report on related-party agreements referred to in Article L. 225-86 of the French Commercial Code, the general shareholders' meeting acknowledges the conclusions of said report and approves, pursuant to Article L. 225-90-1 of the French Commercial Code, commitments authorized by the Supervisory Board on September 12, 2018 on severance payment for members of the Management Board due to Jean-Michel Etienne, in the event of a forced departure consecutive exclusively to a change of control or strategy, except in cases of serious or gross misconduct.

Resolution 7

Approval of the commitments submitted to the related-party agreements procedure and granted to Anne-Gabrielle Heilbronner, Member of the Management Board

PURPOSE

The 7th resolution submits to your approval, pursuant to the related-party agreements procedure, the commitments of the Company made to Anne-Gabrielle Heilbronner, Member of the Management Board, on severance payment due in the event of a forced departure consecutive exclusively to a change of control or strategy, except in cases of serious or gross misconduct, as described in the Statutory Auditors' special report. These commitments were authorized by the Supervisory Board on September 12, 2018.

▶ Resolution 7

(Special report of the Statutory Auditors on related-party agreements and commitments; approval of the commitments under Article L. 225-90-1 of the French Commercial Code granted to Anne-Gabrielle Heilbronner, member of the Management Board)

Acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings and having reviewed the Statutory Auditors' special report on related-party agreements referred to in Article L. 225-86 of the French Commercial Code, the general shareholders' meeting acknowledges the conclusions of said report and approves, pursuant to Article L. 225-90-1 of the French Commercial Code, commitments authorized by the Supervisory Board on September 12, 2018 on severance payment for members of the Management Board due to Anne-Gabrielle Heilbronner, in the event of a forced departure consecutive exclusively to a change of control or strategy, except in cases of serious or gross misconduct.

Resolution 8

Approval of the commitments submitted to the related-party agreements procedure and granted to Steve King, Member of the Management Board

PURPOSE

The 8th resolution submits to your approval, pursuant to the related-party agreements procedure, the commitments of the Company made to Steve King, member of the Management Board, on severance payment due in the event of a forced departure consecutive to a change of control or strategy, except in cases of serious or gross misconduct, as described in the Statutory Auditors' special report. These commitments were authorized by the Supervisory Board on September 12, 2018.

▸ Resolution 8

(Special report of the Statutory Auditors on related-party agreements and commitments; approval of the commitments under Article L. 225-90-1 of the French Commercial Code granted to Steve King, member of the Management Board)

Acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings and having reviewed the Statutory Auditors' special report on related-party agreements referred to in Article L. 225-86 of the French Commercial Code, the general shareholders' meeting acknowledges the conclusions of said report and approves, pursuant to Article L. 225-90-1 of the French Commercial Code, commitments authorized by the Supervisory Board on September 12, 2018 on severance payment for members of the Management Board due to Steve King, in the event of a forced departure consecutive to a change of control or strategy, except in cases of serious or gross misconduct.

Resolution 9

Approval of the elements of compensation paid or awarded in respect of the 2018 fiscal year to Maurice Lévy, Chair of the Supervisory Board

PURPOSE

By the 9th resolution, pursuant to Article L. 225-100 II of the French Commercial Code, you are asked to approve the elements of compensation and various benefits paid or awarded in respect of the 2018 fiscal year to Maurice Lévy, Chair of the Supervisory Board.
The elements of compensation and various benefits submitted for your approval are set out in the 2018 Registration Document under section 3.2.3.2, entitled "Elements of compensation paid or awarded to corporate officers in respect of the 2018 fiscal year, and submitted to the ordinary general shareholders' meeting for approval."

▸ Resolution 9

(Approval of the total elements of compensation and various benefits paid or awarded in respect of the 2018 fiscal year to Maurice Lévy, Chair of the Supervisory Board)

The general shareholders' meeting, pursuant to Article L. 225-100 II of the French Commercial Code, and acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings, approves the fixed, variable and exceptional elements of compensation and the various benefits paid or awarded in respect of the 2018 fiscal year to Maurice Lévy, in relation to his office as Chair of the Supervisory Board, as presented in the report on corporate governance referred to in the 2018 Registration Document, section 3.2.3.2, entitled "Elements of compensation paid or awarded to corporate officers in respect of the 2018 fiscal year, and submitted to the ordinary general shareholders' meeting for approval."

Resolution 10

Approval of the elements of compensation paid or awarded in respect of the 2018 fiscal year to Arthur Sadoun, Chair of the Management Board

PURPOSE

By the 10th resolution, pursuant to Article L. 225-100 II of the French Commercial Code, you are asked to approve the elements of compensation and various benefits paid or awarded in respect of the 2018 fiscal year to Arthur Sadoun, Chair of the Management Board.
The elements of compensation and various benefits submitted for your approval are set out in the 2018 Registration Document under section 3.2.3.2, entitled "Elements of compensation paid or awarded to corporate officers in respect of the 2018 fiscal year, and submitted to the ordinary general shareholders' meeting for approval."

▸ Resolution 10

(Approval of the total elements of compensation and various benefits paid or awarded in respect of the 2018 fiscal year to Arthur Sadoun, Chair of the Management Board)

The general shareholders' meeting, pursuant to Article L. 225-100 II of the French Commercial Code, and acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings, approves the fixed, variable and exceptional elements of compensation and the various benefits paid or awarded in respect of the 2018 fiscal year to Arthur Sadoun, in relation to his office as Chair of the Management Board, as presented in the report on corporate governance referred to in the 2018 Registration Document, section 3.2.3.2, entitled "Elements of compensation paid or awarded to corporate officers in respect of the 2018 financial year, and submitted to the ordinary general shareholders' meeting for approval."

Resolutions 11 to 13

Approval of the elements of compensation paid or awarded in respect of the 2018 fiscal year to the members of the Management Board (excluding the Chair)

PURPOSE

In the 11th to 13th resolutions, pursuant to Article L. 225-100 II of the French Commercial Code, you are asked to approve the elements of compensation paid or awarded in respect of the 2018 fiscal year, to Jean-Michel Etienne (11th resolution), Anne-Gabrielle Heilbronner (12th resolution) and Steve King (13th resolution), members of the Management Board.
The elements of compensation and various benefits submitted for your approval are set out in the 2018 Registration Document under section 3.2.3.2, entitled "Elements of compensation paid or awarded to corporate officers in respect of the 2018 fiscal year submitted to the ordinary general shareholders' meeting for approval".

▶ Resolution 11

(Approval of the total elements of compensation and various benefits paid or awarded in respect of the 2018 fiscal year to Jean-Michel Etienne, member of the Management Board)

The general shareholders' meeting, pursuant to Article L. 225-100 II of the French Commercial Code, and acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings, approves the fixed, variable and exceptional elements of compensation and the various benefits paid or awarded in respect of the 2018 fiscal year to Jean-Michel Etienne, in relation to his office as member of the Management Board, as presented in the report on corporate governance referred to in the 2018 Registration Document, section 3.2.3.2, entitled "Elements of compensation paid or awarded to corporate officers in respect of the 2018 fiscal year, and submitted to the ordinary general shareholders' meeting for approval."

▶ Resolution 12

(Approval of the total elements of compensation and various benefits paid or awarded in respect of the 2018 fiscal year to Anne-Gabrielle Heilbronner, member of the Management Board)

The general shareholders' meeting, pursuant to Article L. 225-100 II of the French Commercial Code, and acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings, approves the fixed, variable and exceptional elements of compensation and the various benefits paid or awarded in respect of the 2018 fiscal year to Anne-Gabrielle Heilbronner, in relation to her office as member of the Management Board, as presented in the report on corporate governance referred to in the 2018 Registration Document, section 3.2.3.2, entitled "Elements of compensation paid or awarded to corporate officers in respect of the 2018 financial year, and submitted to the ordinary general shareholders' meeting for approval."

▶ Resolution 13

(Approval of the total elements of compensation and various benefits paid or awarded in respect of the 2018 fiscal year to Steve King, member of the Management Board)

The general shareholders' meeting, pursuant to Article L. 225-100 II of the French Commercial Code, and acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings, approves the fixed, variable and exceptional elements of compensation and the various benefits paid or awarded in respect of the 2018 fiscal year to Steve King, in relation to his office as member of the Management Board, as presented in the report on corporate governance referred to in the 2018 Registration Document, section 3.2.3.2, entitled "Elements of compensation paid or awarded to corporate officers in respect of the 2018 financial year, and submitted to the ordinary general shareholders' meeting for approval."

Resolutions 14 and 15

Approval of the compensation policy regarding the Chair and members of the Supervisory Board in respect of the 2019 fiscal year

PURPOSE

A proposal is made in the 14th and 15th resolutions that, in pursuance of Article L. 225-82-2 of the French Commercial Code, you approve the principles and criteria governing the setting, apportionment and attribution of fixed, variable and exceptional components comprising the total compensation and various benefits attributable to the Chair (14th resolution) and members of the Supervisory Board (15th resolution), in respect of the 2019 fiscal year.

These principles and criteria are set out in the 2018 Registration Document under section 3.2.1.2, entitled "Principles and criteria governing the compensation of the Chair of the Supervisory Board" and section 3.2.1.1, entitled "Principles and criteria governing the compensation of the members of the Supervisory Board".

▶ Resolution 14

(Approval of the principles and criteria governing the setting, apportionment and attribution of the fixed, variable and exceptional components comprising the total compensation and various benefits attributable to the Chair of the Supervisory Board in respect of the 2019 fiscal year)

The general shareholders' meeting, pursuant to Article L. 225-82-2 of the French Commercial Code, and acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings, approves the principles and criteria governing the setting, apportionment and attribution of the fixed, variable and exceptional components comprising the total compensation and various benefits attributable to the Chair of the Supervisory Board, in relation to his office, as presented in the report on corporate governance referred to in the 2018 Registration Document section 3.2.1.2, "Principles and criteria governing the compensation of the Chair of the Supervisory Board."

▶ Resolution 15

(Approval of the principles and criteria governing the setting, apportionment and attribution of the fixed, variable and exceptional components comprising the total compensation and various benefits attributable to the members of the Supervisory Board in respect of the 2019 fiscal year)

The general shareholders' meeting, pursuant to Article L. 225-82-2 of the French Commercial Code, and acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings, approves the principles and criteria governing the setting, apportionment and attribution of the fixed, variable and exceptional components comprising the total compensation and various benefits attributable to members of the Supervisory Board, in relation to their office, as presented in the report on corporate governance referred to in the 2018 Registration Document section 3.2.1.1, “Principles and criteria governing the compensation of the members of the Supervisory Board.”.

Resolutions 16 and 17

Approval of the compensation policy regarding the Chair and members of the Management Board in respect of the 2019 fiscal year

PURPOSE

A proposal is made in the 16th and 17th resolutions that, in pursuance of Article L. 225-82-2 of the French Commercial Code, you approve the principles and criteria governing the setting, apportionment and attribution of fixed, variable and exceptional components constituting the total compensation and various benefits attributable to the Chair (16th resolution) and members of the Management Board (17th resolution) , in respect of the 2019 fiscal year.

These principles and criteria of compensation are set out in the 2018 Registration Document under section 3.2.2.1, entitled “Principles and criteria governing the compensation of the members of the Management Board”.

▶ Resolution 16

(Approval of the principles and criteria governing the setting, apportionment and attribution of the fixed, variable and exceptional components comprising the total compensation and various benefits attributable to the Chair of the Management Board in respect of the 2019 fiscal year)

The general shareholders’ meeting, pursuant to Article L. 225-82-2 of the French Commercial Code, and acting in accordance with the quorum and majority requirements for ordinary general shareholders’ meetings, approves the principles and criteria governing the setting, apportionment and attribution of the fixed, variable and exceptional components comprising the total compensation and various benefits attributable to the Chair of the Management Board, in relation to his office, as presented in the report on corporate governance referred to in the 2018 Registration Document section 3.2.1.1, “Principles and criteria governing the compensation of members of the Management Board.”

▶ Resolution 17

(Approval of the principles and criteria governing the setting, apportionment and attribution of the fixed, variable and exceptional components comprising the total compensation and various benefits attributable to the members of the Management Board in respect of the 2019 fiscal year)

The general shareholders’ meeting, pursuant to Article L. 225-82-2 of the French Commercial Code, and acting in accordance with the quorum and majority requirements for ordinary general shareholders’ meetings, approves the principles and criteria governing the setting, apportionment and attribution of the fixed, variable and exceptional components comprising the total compensation and various benefits attributable to members of the Management Board, in relation to their office, as presented in the report on corporate governance referred to in the 2018 Registration Document section 3.2.2.1, “Principles and criteria governing the compensation of members of the Management Board.”

Resolution 18

Appointment of Antonella Mei-Pochtler to the Supervisory Board

PURPOSE

The 18th resolution asks you to appoint Antonella Mei-Pochtler as new independent member to the Supervisory Board for a four-year term of office expiring at the end of the general shareholders’ meeting convened to vote on the financial statements for fiscal year 2022.

▶ Resolution 18

(Appointment of Antonella Mei-Pochtler to the Supervisory Board)

Acting in accordance with the quorum and majority requirements for ordinary general shareholders’ meetings and having reviewed the reports of the Management Board and Supervisory Board, the general shareholders’ meeting decides to appoint Antonella Mei-Pochtler to the Supervisory Board for a four-year term of office expiring at the end of the ordinary general shareholders’ meeting convened to vote on the financial statements for fiscal year 2022.

Resolution 19

Appointment of Suzan LeVine to the Supervisory Board

PURPOSE

The 19th resolution asks you to appoint Suzan LeVine as new independent member to the Supervisory Board for a four-year term of office expiring at the end of the general shareholders’ meeting convened to vote on the financial statements for fiscal year 2022.

▶ Resolution 19

(Appointment of Suzan LeVine to the Supervisory Board)

Acting in accordance with the quorum and majority requirements for ordinary general shareholders’ meetings and having reviewed the reports of the Management Board and Supervisory Board, the general shareholders’ meeting decides to appoint Suzan LeVine to the Supervisory Board for a four-year term of office expiring at the end of the ordinary general shareholders’ meeting convened to vote on the financial statements for fiscal year 2022.

Resolution 20

Appointment of Enrico Letta to the Supervisory Board

PURPOSE

The 20th resolution asks you to appoint Enrico Letta as new independent member to the Supervisory Board for a four-year term of office expiring at the end of the general shareholders' meeting convened to vote on the financial statements for fiscal year 2022.

▶ Resolution 20

(Appointment of Enrico Letta to the Supervisory Board)

Acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings and having reviewed the reports of the Management Board and Supervisory Board, the general shareholders' meeting decides to appoint Enrico Letta to the Supervisory Board for a four-year term of office expiring at the end of the ordinary general shareholders' meeting convened to vote on the financial statements for fiscal year 2022.

Resolution 21

Renewal of Ernst & Young et Autres's mandate as Statutory Auditor

PURPOSE

The 21st resolution proposes that Ernst & Young et Autres, whose current tenure expires at the end of this general shareholders' meeting, be reappointed as Statutory Auditor for a six-year period.

▶ Resolution 21

(Renewal of Ernst & Young et Autres's mandate as Statutory Auditor)

Acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings, the general shareholders' meeting decides to renew Ernst & Young et Autres's mandate as Statutory Auditor for a six-year term of office expiring at the end of the ordinary general shareholders' meeting convened to vote on the financial statements for fiscal year 2024.

Resolution 22

Purchase by the Company of its own shares

PURPOSE

A proposal is made to you in the 22nd resolution to renew, for a period of 18 months, the authorization granted last year to the Management Board of the Company to purchase its own shares, within the limit of 10% of its share capital, at a maximum unit price of 85 euro. However, unless previously authorized by the general shareholders' meeting, the Management Board may not make use of this authorization from the moment a third party makes a public offering for the Company's securities until the offering period expires. The purposes of the share buyback program are set forth in detail in the text of the resolution. They are intended in particular to cover the programs of attribution or sale of shares to employees and/or officers of the Company and its Groupe. This authorization replaces the authorization granted by the general shareholders' meeting of May 30, 2018.

▶ Resolution 22

(Authorization to be granted to the Management Board, for a period of eighteen months, entitling the Company to trade in its own shares)

Acting in accordance with the quorum and majority requirements for ordinary general shareholders' meetings, and after having reviewed the Management Board's report, and in accordance with the provisions of Articles L. 225-209 *et seq.* of the French Commercial Code, Articles 241-1 *et seq.* of the General Regulation of the French Financial Markets Authority *(Autorité des Marchés Financiers, "AMF")*, Regulation (EU) No. 596/2014 of April 16, 2014, Delegated Regulation (EU) No. 2016/1052 of March 8, 2016, and the market practices accepted by the AMF, the general shareholders' meeting authorizes the Management Board, with the right to sub-delegate its authority in accordance with legal requirements and the Company's Articles of Incorporation, to purchase or arrange the purchase of the Company's shares for the following purposes:

- Allotting or selling shares to employees and/or corporate officers of the Company and/or of its Groupe, in accordance with the requirements and procedures prescribed by applicable statutes and regulations, in particular as part of a plan for sharing in the Company's expansion, by allotting free shares or granting stock options, or through company savings plans or inter-company savings plans, or by any other method of compensation in shares;
- Delivering shares to honor obligations in connection with instruments or securities that may confer entitlement to equity rights, whether by redemption, conversion, exchange, presentation of a warrant or by any other means;
- Conserving and subsequently delivering shares as a means of exchange in merger or spin-off transactions or as a contribution, as payment in the case of external growth transactions;
- Encouraging the secondary market or the liquidity of Publicis Groupe S.A. shares through the intermediary of an investment services provider acting in the name and on behalf of the Company in compliance with market practices accepted by the AMF and pursuant to a liquidity agreement complying with the code of ethics recognized by the AMF or any other applicable provision;
- Cancelling all or part of the shares thus acquired, in accordance with legal provisions in force, and pursuant to authorization granted by an extraordinary general shareholders' meeting.

This program is also intended to enable the Company to trade in its own shares for any other purpose that is currently authorized or may be authorized in the future by the laws and regulations in force. In such a case, the Company will inform its shareholders by issuing a press release.

The Company will be entitled to purchase its own shares, and sell or transfer shares redeemed, directly or through an investment service provider, in one or more transactions, at any time and by any means authorized by the regulations in force, or that may come into force in the future, on regulated stock markets, multilateral trading facilities (MTFs), through systematic internalizers or over the counter, and, notably, by buying or selling blocks of shares (without limitation on the portion of the program that may be carried out in block transactions), sale and repurchase agreements, through takeover bids or securities exchange bids, by using option mechanisms, derivative financial instruments, warrants or, more generally, securities granting entitlement to shares in the Company. The Company may also be entitled to hold and/or cancel shares redeemed subject to authorization by an extraordinary general shareholders' meeting, in compliance with applicable regulations.

However, unless previously authorized by a general shareholders' meeting, the Management Board may not make use of the aforesaid authorization from the moment a third party makes a public offering for the Company's securities until expiry of the offering period.

The maximum number of shares that can be purchased must not at any time exceed 10% of the shares making up the share capital. This percentage will apply to the share capital as adjusted to reflect transactions affecting the share capital carried out subsequent to this shareholders' meeting. The Company will also never exceed the limit of a maximum number of treasury shares equal to 10% of share capital at the relevant date.

The maximum unit purchase price will be eighty-five (85) euro, excluding acquisition costs, it being specified that this price will not apply to share buyback used for allocating free shares or when options are exercised to employees and/or officers of the Company and the Groupe.

The Company's total amount used for share buyback under this authorization will not exceed one billion nine hundred ninety nine million six hundred twenty three thousand three hundred (1,999,623,300) euro net of costs.

Pursuant to the provisions of Article L. 225-209 of the French Commercial Code, when shares are redeemed to promote liquidity of the Company's shares in accordance with the requirements of the general regulations of the AMF, the number of shares taken into account to calculate the 10% limit is equal to the number of shares purchased, less the number of shares resold during the authorization period. Moreover, the number of treasury shares held to be used for payment or exchange in merger or spin-off transactions or as a contribution will not exceed 5% of the capital as assessed on the date of the operation. In the event that the Company avails itself of this authorization it is specified that the number of treasury shares should be taken into account so that the Company always remains within the limit of a maximum number of treasure shares equal to 10% of share capital.

In the event of a change in the par value of shares or any transaction having an impact on shareholders' equity, the general shareholders' meeting delegates to the Management Board the power to adjust the aforementioned purchase price in order to take into account the impact of such transactions on the share price.

The general shareholders' meeting grants the Management Board all powers, including the right to sub-delegate its authority, as permitted by laws and regulations and in accordance with the Company's Articles of Incorporation, to determine the modes and conditions of implementation, to allocate or reallocate the shares acquired to the various objectives in view in compliance with applicable laws and regulations, to execute all instruments, enter into all agreements, carry out all formalities, and, more generally, to do everything necessary to implement this resolution.

This authorization is granted for a period of eighteen months from the date of the general shareholders' meeting.

This authorization cancels and supersedes the unused portion and unexpired term of the authorization previously granted by the nineteenth resolution of the Company's ordinary general shareholders' meeting of May 30, 2018.

RESOLUTIONS WITHIN THE POWERS OF THE EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING

Resolution 23

Cancellation of treasury shares by a reduction of the Company's capital

PURPOSE

The 23rd resolution proposes to renew, for a period of 26 months, the authorization granted to the Management Board, in 2017, to decide to reduce the share capital by cancelling all or part of the shares in the Company, up to a maximum of 10% of the share capital, purchased within its share buyback programs. This new authorization replaces the authorization given by the general shareholders' meeting of May 31, 2017.

▸ Resolution 23

(Authorization to be granted to the Management Board, for a period of twenty-six months, to decrease the capital *via* the cancellation of all or part of the Company's share capital)

Acting in accordance with the quorum and majority requirements for extraordinary general shareholders' meetings, and having reviewed the Management Board's report and the Statutory Auditors' special report, in pursuance of Article L. 225-209 of the French Commercial Code, the general shareholders' meeting authorizes the Management Board to:

- Decrease the Company's share capital by cancelling, at its own discretion, in one or more transactions, in the proportions and at the times of its choosing, within the limit of 10% of the share capital for periods of twenty-four months (it being specified that this limit applies to an amount of the Company's capital which will, if necessary, be adjusted to take into account operations affecting it after this general shareholders' meeting), of all or part of the Publicis Groupe S.A. shares acquired under the share buyback programs authorized by the general shareholders' meeting pursuant to Article L. 225-209 of the French Commercial Code, in particular pursuant to the twenty-second resolution which precedes, and more generally treasury shares held by the Company;
- Allocate the difference between the purchase value of the canceled shares and their par value on any additional paid-in capital account or available reserves of its choosing.

The general shareholders' meeting grants the Management Board all powers, including the right to sub-delegate its authority in accordance with legal requirements and the Company's Articles of Incorporation, to implement a decrease in capital *via* the cancellation of treasury shares authorized by this resolution, set the terms and the final amount, note the completion thereof, amend the Articles of Incorporation accordingly, and, in a general manner, perform all acts and formalities and take the necessary steps to carry out this authorization.

The general shareholders' meeting grants this authorization for twenty-six months from this date.

This authorization cancels, with immediate effect, the unused portion and unexpired term of the authority previously delegated pursuant to the twenty-fourth resolution of the extraordinary general shareholders' meeting of May 31, 2017.

Resolution 24

Capital increase by issuing, without preemptive subscription rights, ordinary shares in the Company and/or securities that confer or may confer equity rights, in consideration of contributions in kind to the Company, except in the case of a public exchange offering initiated by the Company

PURPOSE

The 24th resolution proposes to renew, for a period of 26 months, the delegation of authority granted to the Management Board in 2017, to decide to issue ordinary shares in the Company and/or securities that confer or may confer access to shares in the Company, up to a maximum limit of 10% of the share capital, in consideration of contributions in kind made to the Company. The nominal amount of the capital increases that can be carried out under this delegation of authority shall be set against the maximum nominal amount of capital increases without preemptive subscription rights authorized by the extraordinary general shareholders' meeting of May 30, 2018 in paragraph 3) of the 21st resolution (€9,000,000) and against the total maximum amount set forth in paragraph 2) of the 20th resolution approved by the aforesaid general shareholders' meeting (€30,000,000). However, unless previously authorized by the general shareholders' meeting, the Management Board may not avail of this authorization from the moment a third party makes a public offering for the Company's securities and until the offering period expires. This new authorization will replace the authorization granted by the general shareholders' meeting of May 31, 2017.

▶ Resolution 24

(Delegation of authority to be granted to the Management Board for a period of twenty-six months to decide to issue ordinary shares in the Company and/or securities governed by Articles L. 228-92 paragraph 1 and L. 228-93 paragraphs 1 and 3 of the French Commercial Code, without preferential subscription rights, to remunerate the contribution in kind granted to the Company and constituting shares or other equity securities granting entitlement to share capital, except in the case of a public exchange offering initiated by the Company)

Acting in accordance with the quorum and majority requirements for extraordinary general shareholders' meetings, and having reviewed the Management Board's report and the Statutory Auditors' special report, in pursuance of the provisions of Articles L. 225-129 *et seq.*, notably Article L. 225-147 paragraph 6, of the French Commercial Code, the general shareholders' meeting delegates to the Management Board the authority to decide, at its own discretion, on one or more occasions, in the amounts and at the times determined at its discretion, in France and abroad, in euro, in foreign currency or in any unit of account set in reference to several currencies, to issue ordinary shares in the Company and/or securities governed by Articles L. 228-91 *et seq.* of the French Commercial Code and that confer or may confer, immediately or in the future, at any time or at a predetermined date, access to ordinary shares in the Company or in a direct or indirect subsidiary as the case may be, or granting entitlement to the attribution of debt securities within the limit of 10% of the share capital appreciated on the issue date to remunerate contributions in kind granted to the Company and made up of capital shares and/or securities conferring entitlement to share capital, when the provisions of Article L. 225-148 of the French Commercial Code are not applicable.

It should be noted that the issue of preferred shares and securities that confer the right to preferred shares is not allowed.

The general shareholders' meeting decides that:

- The nominal amount of capital increases that can be carried out by virtue of this delegation of authority will be set against the maximum nominal amount of capital increases without preferential subscription rights of nine million (9,000,000) euro set forth in paragraph 3) of the twenty-first resolution adopted by the May 30, 2018 extraordinary general shareholders' meeting and against the total maximum of thirty million (30,000,000) euro set forth in paragraph 2) of the twentieth resolution adopted by the said general shareholders' meeting, which will be modified accordingly or, if appropriate, set against any total maximum amount stipulated in a resolution of similar nature that might succeed the aforesaid resolution while this delegation of authority remains in force;
- To this ceiling will be added, if applicable, the par value of ordinary shares that may be issued additionally, in the event of new financial transactions, to protect the rights of holders of securities that confer equity rights, in pursuance of legal and regulatory provisions, and, where applicable, in accordance with contractual provisions referring to other cases requiring adjustment;
- The maximum nominal amount of securities representing debt claims against the Company that may be issued immediately or at a future date by virtue of this resolution is set at one billion two hundred million (1,200,000,000) euro, or the equivalent thereof in any other currency or in any monetary unit set in reference to several currencies, on the date of the issue decision. Said amount will be set against the total maximum amount of debt securities set forth in paragraph 3) of the twentieth resolution adopted by the May 30, 2018 extraordinary general shareholders' meeting or, if applicable, set against any total maximum amount of debt securities stipulated in a resolution of similar nature that might succeed the aforesaid resolution while this delegation of authority remains in force.

The general shareholders' meeting acknowledges that, in accordance with applicable law, shareholders will have no preferential subscription rights to ordinary shares or securities that may be issued by virtue of this delegation and this delegation of authority will entail, in favor of holders of securities issued that confer or may confer equity rights in the Company, a waiver by the shareholders of their preferential right to subscribe to Company shares to which such securities may confer rights.

The general shareholders' meeting resolves that the Management Board will have all powers, with the right to sub-delegate its authority in accordance with legal provisions and the Company's Articles of Incorporation, to carry out these issues and to set the terms and conditions thereof, and notably:

- Determine capital increases to remunerate the contribution in kind and, where applicable, the power of postponement;
- Determine the list of securities transferred, decide on the report of the Statutory Auditors, approve the valuation of the contributions, set the terms and conditions for the issue of shares and/or securities to be issued to remunerate the contribution in kind as well as, if applicable, the amount of the balancing payment to be disbursed, approve special benefits, reduce, provided the contributors agree, the valuation of the contributions or the remuneration of special benefits;
- Determine the nature, form, number, characteristics and terms of the shares and/or securities to be issued to remunerate the contribution in kind;
- Set, if necessary, the terms and conditions for exercising the rights attached to the shares or securities to be issued and, in particular, set, even retroactively, the date from which new shares will bear dividend rights, as well as any other terms and conditions required to carry out the issue;
- To determine and execute all adjustments required to allow for the impact of such transactions on the Company's share capital, and to make all other arrangements to preserve, where applicable, the rights of holders of securities conferring equity rights in the Company or of the beneficiaries of options to subscribe or purchase shares or their right to the allocation of free shares;

- To charge the costs, dues and fees relating to these issues to the corresponding share premiums and, where applicable, appropriate from this amount the sum required to maintain the legal reserves at one tenth of the new share capital after each issue;
- To acknowledge the completion of each share capital increase carried out under this delegation of authority, and to amend the Articles of Incorporation accordingly;
- More generally, to take all useful and necessary measures, notably entering into agreements, carrying out all formalities required for the issues, admission to trading, and for the financial servicing of the securities issued in pursuance hereof, including the exercise of all rights attached.

The Management Board may not, unless previously authorized by a general shareholders' meeting, make use of this delegation of authority from the moment a third party makes a public offering for the Company's securities and until expiry of the offering period.

The general shareholders' meeting grants this delegation of authority for a period of twenty-six months from the date of this meeting.

This delegation of authority cancels, with immediate effect, the unused portion and unexpired term of the authority previously delegated pursuant to the twenty-sixth resolution of the extraordinary general shareholders' meeting of May 31, 2017.

Resolution 25

Allotment of share subscription or purchase options to employees and corporate officers

PURPOSE

A proposal is made in the 25th resolution to authorize, for a period of 38 months, the Management Board to grant share subscription and/or purchase options to employees and/or corporate officers of the Company or of companies within the Groupe. The total number of options granted may not grant entitlement to a number of shares exceeding 3% of the share capital. This ceiling will be deducted from the 3% ceiling mentioned in the 27th resolution (allocation of free shares to employees or corporate officers) adopted by the extraordinary general shareholders' meeting of May 30, 2018. The exercising of options granted pursuant to this authorization shall be conditional upon of two performance standards determined by the Management Board and measured over a period of three years. The number of options that may be attributed to them shall not exceed 0.3% of the share capital. This common and global ceiling applies to corporate officers mentioned in the 27th resolution adopted by the extraordinary general shareholders' meeting of May 30, 2018 and will be deducted from the ceiling of 3% of the aforementioned share capital. This authorization shall expressly entail, in favor of subscription option holders, a waiver by shareholders of preferential subscription rights. The share subscription or purchase price shall be determined by the Management Board, without any possibility of discounting that price, and within the limits and according to the terms and conditions provided by law. This new delegation of authority shall cancel and supersede the delegation of authority granted by the general shareholders' meeting of May 25, 2016.

▸ Resolution 25

(Authorization to be granted to the Management Board, for a period of thirty-eight months, for the purpose of granting subscription options, entailing a waiver of shareholders' preferential subscription rights, and/or share purchases for employees and/or corporate officers of the Company, or of Groupe companies)

Acting in accordance with the quorum and majority requirements for extraordinary general shareholders' meetings, and having reviewed the Management Board's report and the Statutory Auditors' special report, in pursuance of Articles L. 225-177 *et seq.* of the French Commercial Code, the general shareholders' meeting:

1) Authorizes the Management Board, including the right to sub-delegate as permitted by the laws and regulations and the Company's Articles of Incorporation, for a period of thirty-eight months from this general shareholders' meeting, to grant, in one or more transactions, to all or certain employees, or categories of employees, and eligible corporate officers of the Company or of French or foreign companies or Economic Interest Groupings directly or indirectly affiliated with the Company in accordance with the provisions of Article L. 225-180 of the French Commercial Code, and within the limits of the texts in force:
- Options granting the right to subscribe new Company shares issued *via* increase in share capital and/or,
- Options granting the right to purchase existing Company shares from Company buybacks.

2) Resolves that subscription and purchase options that may be granted under this authorization will not grant entitlement to the subscription or purchase of a total number of shares representing more than 3% of the share capital recorded at the date of their allocation by the Management Board, this number not taking into account any adjustments that may be made to preserve the rights of the beneficiaries if the Company carries out one of the transactions referred to in Article L. 225-181 of the French Commercial Code. This ceiling will be deducted from the 3% ceiling mentioned in the twenty-seventh resolution (allocation of free shares to employees or corporate officers) adopted by the extraordinary general shareholders' meeting of May 30, 2018, or, if applicable, the ceiling provided for by a resolution of the same nature that could possibly succeed to said resolution during the period of validity of this authorization.

3) Expressly conditions the exercise of options granted under this authorization to at least two performance conditions determined by the Management Board at the time of the award decision and measured over three years.

4) Resolves that option grants made pursuant to this authorization may benefit, under the conditions provided for by law, the Company's eligible corporate officers, provided that the exercise of options is conditional on the achievement of at least two performance conditions determined by the Management Board at the time of the award decision and measured over three years. Resolves that the number of options that may be granted to the Company's eligible corporate officers will not entitle the holder to subscribe for or acquire a total number of shares representing, at the date they are granted and taking into account the options already granted under of this authorization, to more than 0.3% of the share capital of the Company as recorded at the date of their allocation by the Management Board (subject to any aforementioned adjustments), which will be deducted from the ceiling of 3% of the aforementioned share capital. This common and global 0.3% ceiling applies to corporate officers mentioned in the twenty-seventh resolution (allocation of free shares to employees or corporate officers) adopted by the extraordinary general shareholders' meeting of May 30, 2018 or, if applicable, the ceiling provided for by a resolution of the same nature that could possibly succeed to said resolution during the period of validity of this authorization.

5) Acknowledges that this authorization includes, for the beneficiaries of options, the express waiver by the shareholders of their preferential right to subscribe for the shares that will be issued as the options are exercised, and that the capital increase resulting from the exercise of options will definitively be carried out *via* a simple exercised option declaration, accompanied by the subscription form and the payment in cash or by offsetting receivables.

6) Resolves that the subscription or purchase price of the shares will be set by the Management Board on the date on which the options will be granted, without the possibility of a discount, within the limits and according to the terms and conditions provided for by law. This price will not be lower than the average opening price of the Company's shares on the regulated market of Euronext Paris for the twenty trading days preceding the day on which the options are granted, rounded down to the nearest euro, or, with respect to call options, at the average purchase price of the Company's treasury shares, rounded down to the nearest euro.

7) Resolves that the price and/or the number of shares to be subscribed for and/or purchased may be adjusted to preserve the rights of beneficiaries when the Company carries out one of the transactions referred to in Article L. 225-181 of the French Commercial Code.

8) Resolves that, subject to the application of Article L. 225-185 paragraph 4 of the French Commercial Code for Company's eligible corporate officers, beneficiaries may exercise options no later than ten years from the date said options were granted by the Management Board.

9) Grants the Management Board all powers, under the conditions set out above and within the legal and regulatory limits, including the right to sub-delegate its authority as permitted by the laws and regulations and in accordance with the Company's Articles of Incorporation, to carry out this resolution, and notably:
- Set the dates of each allocation and the conditions under which the options will be granted and exercised, the list of the beneficiaries of options, the number of options offered to each beneficiary and the performance condition(s) required to exercise options;
- Decide on the possible prohibition of immediate resale of the shares purchased and/or subscribed to, it being specified that for options granted to the Company's eligible corporate officers, the Supervisory Board must either resolve that the options will not be exercised by the parties concerned before the termination of their duties, or set the number of shares resulting from the exercise of options which they will be required to hold in registered form until the termination of their duties;
- Set the date, even retroactively, from which the new shares originating from the exercise of subscription options to be issued by the Company will have dividend right;
- Set the options' exercise period(s), it being specified that the Management Board may have the possibility of temporarily suspending the exercise of options in pursuance of legal and regulatory provisions;
- Set the conditions under which the price and the number of shares to be subscribed for or purchased will be adjusted, in particular in the cases provided for by law;
- Limit, restrict or prohibit the exercise of options during certain periods, or from certain events, the decision of which may concern all or part of the options and affect all or part of the beneficiaries;
- Determine, for a maximum ten-year period from the date the options were granted, the length of time during which beneficiaries may exercise their options, as well as the period during which options may be exercised;
- Allocate the costs of capital increase(s) on the amount of the premiums related to these increases, perform all formalities required for the purpose of completing capital increase(s) that may be carried out pursuant to this authorization;
- To amend the Articles of Incorporation accordingly, enter into all agreements, take all measures required to accomplish all acts and formalities and, more generally, take all useful and necessary measures to carry out this authorization.

This authorization cancels, with immediate effect, the unused portion and unexpired term of the authority previously delegated pursuant to the twenty-sixth resolution of the extraordinary general shareholders' meeting of May 25, 2016.

Resolutions 26 and 27

Capital increases reserved for employees

PURPOSE

The 26th resolution delegates powers to the Management Board, for a period of 26 months, to increase the capital by issuing ordinary shares and/or securities governed by Articles L. 225-91 *et seq.* of the French Commercial Code and that confer access to ordinary shares to be issued by the Company or a subsidiary, without preferential subscription rights, for the benefit of members of a Company savings plan. The maximum nominal amount of the capital increase resulting from this authorization shall not exceed 2.8 million euro (this maximum amount shall be common to capital increases carried out under the 27th resolution and shall be set against the total maximum amount stipulated in paragraph 2) of the 20th resolution approved by the general shareholders' meeting of May 30, 2018 (€30,000,000)). The subscription price shall be set in accordance with legal provisions in force.

The 27th resolution proposes that you delegate to the Management Board, for a period of 18 months, the authority to decide to increase the share capital by up to a maximum nominal amount of 2.8 million euro (this maximum amount shall be common to capital increases carried out under the 26th resolution and shall be set against the total maximum amount stipulated in paragraph 2) of the 20th resolution approved by the general shareholders' meeting of May 30, 2018 (€30,000,000)) without preferential subscription rights, reserved for certain categories of beneficiaries located outside of France, and who would not be eligible under the 26th resolution, in order to set up employee shareholding or savings plans for their benefit. The categories of beneficiaries are set forth in detail in the text of the resolution. The subscription price shall be set in accordance with the legal provisions in force.

These two new delegations of authority shall replace those granted by the general shareholders' meeting of May 30, 2018.

▸ Resolution 26

(Delegation of authority to be granted to the Management Board, for a period of twenty-six months, to issue ordinary shares or securities governed by Articles L. 228-92 paragraph 1 and L. 228-93 paragraphs 1 and 3 of the French Commercial Code, without preferential subscription rights, in favor of members of a Company savings plan)

Acting in accordance with the quorum and majority requirements for extraordinary general shareholders' meetings, after having reviewed the Management Board's report and the Statutory Auditors' special report, and in pursuance of Articles L. 3332-1 *et seq.* of the French Labor Code *(Code du travail)*, and in pursuance of Articles L. 225-129, L. 225-129-2 to L. 225-129-6, L. 225-138, L. 225-138-1 and L. 228-91 *et seq.* of the French Commercial Code, the general shareholders' meeting:

1) Delegates to the Management Board, with the right to sub-delegate in accordance with legal provisions in force and the Company's Articles of Incorporation, the authority to increase the Company share capital, in one or more transactions, in the conditions laid down in articles L. 3332-18 *et seq.* of the French Labor Code by issuing ordinary shares and/or securities governed by Articles L. 228-91 *et seq.* of the French Commercial Code, and that confer or may confer by any means, immediately or in the future, at any time or at a predetermined date, access to shares in the Company or in a direct or indirect subsidiary as the case may be, reserved to members of a savings plan in the Company or in one of the French or foreign companies affiliated therewith under the conditions of Article L. 225-180 of the French Commercial Code and of Article L. 3344-1 *et seq.* of the French Labor Code.

The issue of preferred shares or securities that confer the right to preferred shares is not allowed.

2) Resolves that the maximum nominal amount of the capital increases that may be carried out pursuant to this resolution will not exceed two million eight hundred thousand (2,800,000) euro, or the equivalent thereof in any other currency or in any monetary unit set in reference to several currencies (calculated on the date of the Management Board's decision to increase the share capital). This maximum amount will apply to all capital increases that may be carried out pursuant to this resolution and to the twenty-seventh resolution hereunder.

It should be noted that:

• To this ceiling will be added, if applicable, the par value of any ordinary shares that may be issued additionally, in the event of new financial transactions, to protect the rights of holders of securities that confer rights to the Company's share capital, in pursuance of legal and regulatory provisions, and, where applicable, in accordance with contractual provisions referring to other cases requiring adjustment;

• The maximum nominal amount of capital increases decided in accordance with this resolution will be set against the total maximum amount set forth in paragraph 2) of the twentieth resolution adopted by the May 30, 2018 extraordinary general shareholders' meeting of thirty million (30,000,000) euro, or, if applicable, set against any total maximum amount stipulated in a resolution of similar nature that might succeed the aforesaid resolution while this delegation of authority remains in force.

3) Resolves that the issue price of the shares issued under this authorization or the issue price of securities conferring rights to the Company's share capital and the number of shares resulting from the conversion, repayment and in general the transformation of each security conferring access to share capital will be determined in the conditions laid down by Articles L. 3332-18 *et seq.* of the French Labor Code, applying a maximum discount of 20% to the average opening price of the Company's shares on the regulated Euronext Paris market during the twenty trading days preceding the date of the decision by the Management Board, or its delegate, setting the date at which the subscription period will start. However, the general shareholders' meeting authorizes the Management Board, if it deems appropriate, to reduce or eliminate the discount in order to take into account, *inter alia*, legal, accounting, tax and social security laws applicable locally.

4) Resolves that, pursuant to Article L. 3332-21 of the French Labor Code, the Management Board will also be entitled to allot, free of charge, new or existing shares or other securities conferring rights to Company's share capital, whether already issued or to be issued, if applicable, in respect of the discount, provided that the financial value thereof, assessed with respect to the subscription price, does not exceed the limits imposed by Articles L. 3332-11, L. 3332-12, L. 3332-13 and L. 3332-19 of the French Labor Code and that the features of such other securities conferring rights to the Company's share capital are determined by the Management Board in accordance with the requirements of applicable regulations.

5) Resolves to cancel, in favor of members of a Company savings plan, shareholders' preferential right to subscribe for shares and/or securities that may be issued pursuant to this resolution, the said shareholders also waiving any entitlement to free shares or securities issued pursuant to this delegation of authority.

6) Also resolves that in the event of a failure by the beneficiaries to subscribe within the allotted time limits to the whole of the capital increase, the said increase will amount only to the sum represented by the shares subscribed to and that non-subscribed shares can be offered to the beneficiaries concerned on the occasion of a subsequent increase in share capital.

7) Resolves that the Management Board will have all powers, with the right to sub-delegate its authority in accordance with legal provisions and the Company's Articles of Incorporation, to implement this delegation of authority, and notably:
- To set the terms and conditions of the increase in share capital and fix the dates, terms and conditions of the issues that may be carried out by virtue of this resolution;
- To fix the opening and closing dates for subscriptions, the price, and the dates from which shares will bear dividend rights, and the manner in which the shares will be paid up with the time allotted for such payment;
- To acknowledge the successful completion of capital increases up to the amount of share capital securities or securities that may confer access to shares that are effectively subscribed for and to amend the Articles of Incorporation accordingly;
- To charge capital increase costs, if applicable, against the share premium raised by these increases and, if it deems appropriate, to deduct from share premium the amounts necessary to bring the statutory reserve to one-tenth of the new share capital resulting from each capital increase;
- More generally, to enter into all agreements, take all measures and carry out all formalities required for the issues referred to hereinabove, for admission to trading on a regulated market, and for the financial servicing of the securities issued in pursuance hereof, including the exercise of all rights attached.

The general shareholders' meeting determines that this delegation of authority will be valid for a period of twenty-six months.

The general shareholders' meeting acknowledges that this delegation of authority cancels, with immediate effect, the unused portion and unexpired term of the authority previously delegated pursuant to the twenty-eighth resolution of the extraordinary general shareholders' meeting of May 30, 2018.

▸ Resolution 27

(Delegation of authority to be granted to the Management Board, for a period of eighteen months, to decide to issue ordinary shares or securities governed by Articles L. 228-92 paragraph 1 and L. 228-93 paragraphs 1 and 3 of the French Commercial Code, without preferential subscription rights, in favor of certain categories of beneficiaries)

Acting in accordance with the quorum and majority requirements for extraordinary shareholders' meetings, after having reviewed the Management Board's report and the Statutory Auditors' special report, and pursuant to Articles L. 225-129 *et seq.*, and notably Articles L. 225-129-2, L. 225-138 and L. 228-91 *et seq.* of the French Commercial Code, the general shareholders' meeting:

1) Delegates to the Management Board the authority, with the right to sub-delegate with legal provision in force and the Company's Articles of Incorporation, to decide to increase the share capital, in one or more transactions, in the proportions and at the time of its choosing, in France or abroad, by issuing ordinary shares or securities governed by Articles L. 228-91 *et seq.* of the French Commercial Code, and that confer or may confer, by any means, immediately or in the future, at any time or at a predetermined date, access to shares in the Company or in a direct or indirect subsidiary as the case may be, or granting entitlement to the attribution of debt securities (without prejudice to the exclusive powers attributed by Article L. 228-92 of the French Commercial Code to the Management Board with regard to the issue of securities comprising debt securities), reserved to persons meeting the criteria of the categories (or of one of the categories) set forth hereunder.

2) Resolves that the maximum nominal amount of the capital increase that may be carried out, immediately or in the future, pursuant to this resolution will not exceed two million eight hundred thousand (2,800,000) euro, or the equivalent thereof in any other currency or in any monetary unit set in reference to several currencies (calculated on the date the Management Board or its delegate decides to increase the share capital). This maximum amount will apply to all capital increases that may be carried out pursuant to this resolution and to the twenty-sixth resolution hereinabove.

It should be noted that:
• To this ceiling will be added, if applicable, the par value of any ordinary shares that may be issued additionally, in the event of new financial transactions, to protect the rights of holders of securities that may confer rights to the Company's share capital, in pursuance of legal and regulatory provisions, and, where applicable, in accordance with contractual provisions referring to other cases requiring adjustment;
• The maximum nominal amount of capital increases determined, immediately or in the future, in accordance with this resolution will be set against the total maximum amount set forth in paragraph 2) of the twentieth resolution adopted by the May 30, 2018 extraordinary general shareholders' meeting of thirty million (30,000,000) euro, or, if applicable, set against any total maximum amount stipulated in a resolution of similar nature that might succeed the aforesaid resolution whilst this delegation of authority remains in force.

3) Resolves to cancel, in favor of the beneficiaries designated below, shareholders' preferential right to subscribe for new shares and/or other securities that may be issued in pursuance of this resolution which will also entail a waiver by shareholders of their preferential right to subscribe for the ordinary shares of the Company to which the securities issued in pursuance of this delegation of authority may grant entitlement, and to reserve the right to subscribe to said ordinary shares to the categories of beneficiaries meeting the following criteria:

a) employees and corporate officers, or some of the aforesaid, of the companies of the Groupe that are affiliated with the Company, as defined by Article L.225-180 of the French Commercial Code and by Article L.3344-1 of the French Labor Code, and whose principal offices are located outside France; and/or

b) Undertakings for Collective Investment in Transferrable Securities *(OPCVM)* or other employee shareholding entities, whether or not they are established as a legal entity, that invest in the Company's securities and whose unit holders or shareholders are persons referred to in subsection a) of this paragraph; and/or

c) any bank or bank subsidiary acting at the Company's request for the purpose of setting up a shareholding or savings plan for the benefit of the persons referred to in subsection a) of this paragraph, provided that the subscription by the party authorized pursuant to this resolution enable the employees of foreign subsidiaries to benefit from employee shareholding or savings plans with financial advantages equivalent to those available to other employees of the Groupe.

It should be noted that systems with a leverage effect could be implemented under the terms of this resolution.

4) Resolves that the issue price of each share in the Company will be set by the Management Board applying a maximum discount of 20% to the average opening price of the Company's shares on the regulated Euronext Paris market during the twenty trading days preceding the date of the decision by the Management Board, or its delegate, setting the share price for subscription to the capital increase, or, in the event of a capital increase that is concomitant with a capital increase reserved for members of a savings plan, the subscription price to this latter capital increase (twenty-sixth resolution hereinabove). However, the general shareholders' meeting authorizes the Management Board, if it deems appropriate, to reduce or eliminate the discount in order to take into account, *inter alia*, legal, accounting, tax and social security laws applicable locally.

5) It should be noted that the issuance of preferred shares or securities that confer the right to preferred shares is not allowed.

6) Resolves that the Management Board will have all powers, including the power of postponement, with the right to sub-delegate its authority in accordance with legal provisions, to implement this delegation of authority, and notably:
• To set the issue date and price of new shares to be issued as well as all other terms and conditions, including the date from which shares will bear dividend rights, which may be retroactive, and the manner in which said shares will be paid up;
• To draw up the list of persons, from among the categories defined above, to benefit by the elimination of preferential subscription rights, as well as the number of shares to be subscribed by each of these beneficiaries;
• To fix the opening and closing dates for subscription;
• To charge capital increase costs, if applicable, against the share premium raised by these increases and, if it deems appropriate, to deduct from share premium the amounts necessary to bring the statutory reserve to one-tenth of the new share capital after each capital increase;
• To take all necessary measures to protect the rights of securities holders that may confer equity rights, in pursuance of legal and regulatory provisions, and, where applicable, in accordance with contractual provisions referring to other cases requiring adjustment;
• To take all necessary measures to carry out the issues;
• To certify the completion of the share capital increase in pursuance of this resolution, to issue the shares and make the corresponding amendments to the Company's Articles of Incorporation, to carry out all formalities, make all necessary declarations and request all authorizations that may prove necessary to successfully complete these issues;
• More generally, to enter into all agreements, take all measures and carry out all formalities required for the issues referred to hereinabove, for admission to trading on a regulated market, and for the financial servicing of the securities issued in pursuance hereof, including the exercise of all rights attached.

This delegation of authority will be valid for a period of eighteen months following the date of this general shareholders' meeting.

This delegation of authority cancels, with immediate effect, the unused portion and unexpired term of the authority previously delegated pursuant to the twenty-ninth resolution of the extraordinary general shareholders' meeting of May 30, 2018.

RESOLUTION WITHIN THE POWERS OF THE ORDINARY GENERAL SHAREHOLDERS' MEETING

Resolution 28
Powers

PURPOSE
The 28th resolution grants the powers to carry out legal formalities.

▶ Resolution 28
(Powers)

The general shareholders' meeting grants all powers to the bearer of a copy or excerpts of the minutes of this shareholders' meeting for the purpose of filing all copies and carrying out all legal publications and other formalities that may be required.

KEY FIGURES AND YEAR HIGHLIGHTS

EUR million, except per-share data and percentages	2018 (1) after IFRS 16	2018 before IFRS 16	2017 (2)	2018 before IFRS 16 vs.2017
Data from the Income Statement				
Net revenue (2)	8,969	8,969	9,332	– 3.9%
Pass-through revenue	982	982	914	
Revenue (2)	9,951	9,951	10,246	
Operating margin before Depreciation & Amortization	2,049	1,652	1,666	
% of Net revenue	*22.8%*	*18.4%*	*17.9%*	
Operating margin	1,523	1,501	1,505	– 0.3%
% of Net revenue	*17.0%*	*16.7%*	*16.1%*	
Operating income	1,303	1,281	1,316	
Net income attributable to the Groupe	919	944	862	
Earnings Per Share (EPS)	4,01	4,12	3,81	
Headline diluted EPS (3)	4,61	4,72	4,50	+ 4.9%
Dividend per share (4)	2,12	2,12	2,00	+ 6.0%
Free Cash Flow before changes in working capital requirements	1,158	1,182	1,287	
Data from the Balance Sheet	**Dec. 31, 2018 after IFRS 16**	**Dec. 31, 2018 before IFRS 16**	**Dec. 31, 2017 (2)**	
Total assets	27,080	25,359	23,780	
Groupe share of Shareholders' equity	6,853	6,866	5,956	
Net debt (net cash)	(288)	(196)	727	

(1) The financial statements at December 31, 2018 were prepared with the early application of IFRS 16 (use of the prospective method without restatement of previous period).

(2) In accordance with IFRS 15 applicable as of January 1, 2018, comparative data from the previous period have been restated. Revenue is equal to Net revenue plus pass-through revenue.

(3) Net income attributable to the Groupe, after elimination of impairment charges / real estate transformation expenses, amortization of intangibles arising on acquisitions, the main capital gains (or losses) on disposals, change in the fair value of financial assets, the impact of US tax reform and the revaluation of earn-out costs, divided by the average number of shares on a diluted basis.

(4) To be proposed to the shareholders at their AGM of May 29, 2019.

In 2018, according to the IMF, global economic growth remained stable by comparison with 2017, at +3.7%, despite marked contrasts between regions. US growth rose sharply from +2.2% in 2017 to +2.9% in 2018, thus posting the highest growth rate of all the developed economies, notably due to tax cuts and the powerful fiscal stimulus they create. Japan continued to suffer from anemic growth, with +1.1% in 2018 after +1.7% in 2017. The euro zone also slowed down, from +2.4% in 2017 to +2.0% in 2018, as did the United Kingdom (+1.4% in 2018 versus +1.7% in 2017). The Chinese economy grew by +6.6%, the same growth rate as in 2017, and while the slowdown seemed quite limited, it is currently deteriorating. The USA's new protectionist policy and the European crisis (Brexit, the political situations in Italy and France) are major factors in understanding economic developments. In Europe and the USA, the normalization of monetary policies played an important role, particularly towards the end of the year. Oil prices remained very firm until October, but have dropped sharply since then, yet another sign of the global economy slowing down. The increase in inflation is limited and is mainly indicative of temporary factors such as energy prices. Sovereign interest rates rose early in the year, before falling below year-end 2017 rates in the final quarter. This indicator confirms that the global economic situation remains fragile.

When reviewing its forecasts in December 2018, Zenith confirmed its guidance of relatively sustained growth of advertising media investments at +4.5% in 2018. By region, North America should be up 3.3%, yet again thanks to the momentum of internet advertising (+13.0%) which is expected to account for 39% of the total media spend in 2018. Television is likely to dip slightly, i.e. -0.3%. Western Europe is forecast to grow by +3.4% under the impetus of the UK (+5.9%) where the effects of Brexit have yet to be felt. France is anticipated at +3.7%, compared with Germany at +2.0%, Italy at +1.7% and Spain at +1.9%. The Asia Pacific region is forecast to grow by +6.2%, driven notably by China's 9.5% growth rate. Latin America is expected to grow its spend by 4.6%.

It should be noted that, unless otherwise specified, the following comments on Income statement and Balance sheet data are before application of IFRS 16.

At December 31, 2018, Publicis Groupe's consolidated net revenue stood at 8,969 million euro, i.e. down 3.9% from 9,332 million in 2017. Growth at constant exchange rates was +0.1%. Excluding Publicis Healthcare Services (PHS), which was sold in January 2019, organic growth was +0.8% in 2018.

The digital revolution is substantially changing relationships with the media and consumers, but is also bringing numerous growth opportunities to Publicis Groupe and its clients. This is the context in which Publicis is accelerating its own transformation while endeavoring to become the vital partner that clients must have to transform their own marketing and business operations. The Groupe has taken steps to renew growth while keeping costs under strict control. In this low-growth economic environment, Publicis Groupe is more than ever focused on solid operating margins and its ability to generate cash flow. The reorganization announced in December 2015 and the "Sprint to the Future" strategic plan revealed in March 2018 are aimed at a more efficient cost structure that eliminates replication. A number of cost optimization programs have either been scheduled or launched with a view to simplifying structures as the Groupe rolls out its reorganization, achieving productivity gains, improving the margins of entities that have been underperforming, working on improved purchasing, as well as the continued regionalization of the Shared Services Centers (SSCs). The ERP roll-out, which began in France in July 2014, was completed in early 2017. The purpose of these optimization programs is to boost the Groupe's competitiveness while freeing up the resources needed to invest in growth, especially in the fields of data, dynamic creativity and digital business transformation.

The Operating margin totaled 1,501 million euro, down 0.3%. At constant exchange rates, it rose 5.0%. The percentage operating margin rose to 16.7%, i.e. a 60 basis-point improvement on 2017. On a comparable basis (i.e. 2017 stated at the same scope of consolidation and exchange rates as in 2018), the percentage operating margin rose by 30 basis points.

Net income attributable to the Groupe was 944 million euro which included the booking of a 114-million euro restructuring provision under the real estate savings program, compared with Net income attributable to the Groupe of 862 million euro in 2017.

Headline EPS (diluted) amounted to 4.72 euro, i.e. a 4.9% increase which would have been 10.3% at constant exchange rates.

The shareholders' AGM of May 29, 2019 will be asked to approve a dividend of 2.12 euro, i.e. a 6% increase over 2017. The payout ratio stands at 44.9%, in line with the objective explained at the Groupe's Investor Day.

At December 31, 2018, the balance sheet revealed a cash-positive situation of 196 million euro, after net debt of 727 million euro at December 31, 2017. Average net debt in 2018 was 1,413 million euro, compared with an average net debt of 1,980 million euro in 2017.

Amount invested in acquisitions in 2018 was below the budget set at the Investor Day. As a consequence, a share buyback for 400 million euro has been decided.

After application of IFRS 16, and for a level of consolidated net revenue identical to the 8,969 million euro reported before IFRS 16 at December 31, 2018, the Operating margin amounted to 1,523 million euro. The percentage operating margin stands at 17.0%, and Net income attributable to the Groupe is a profit of 919 million euro. Headline EPS (diluted) stands at 4.61 euro. At December 31, 2018, the balance sheet reveals a cash-positive situation of 288 million euro.

GOVERNANCE

The Strategic Game Changers in data, dynamic creativity and business transformation are Publicis Groupe's core differentiated assets in the marketplace. Building on their strong performance in 2018, the Groupe's focus is to accelerate their growth further in the coming years. The development of global industry verticals in marketing transformation and business transformation is the recipe to scale the Game Changers and provide our clients with greater expertises.

The Groupe is appointing today two key executives to deploy those industry verticals at global level, for all of our local operations.

Steve King, member of Publicis Groupe's *Directoire* and CEO of Publicis Media, is promoted to the role of Chief Operating Officer of the Groupe. He will be responsible for developing the marketing transformation industry practices in Commerce, Data, Dynamic Creativity Optimization, Production and Investment. Steve has a strong track-record in developing industry verticals for Publicis Media over the recent years, and is now tasked with building those global industry verticals consistently across all the Groupe's operations and countries.

Nigel Vaz is promoted CEO of Publicis.Sapient. He will be responsible for rolling out further the Business Transformation industry verticals in Automotive, Consumer Products, Energy & Commodities, Retail, Financial Services, Health, Media & Telecom, and Travel & Hospitality. He implemented these industry verticals very successfully at the international level for Sapient. Alan Wexler is moving to Chairman and will work directly with Arthur Sadoun on selected key clients' transformations.

To help these clients leverage all the Groupe's assets, **Ros King** is joining Publicis Groupe as EVP Global clients. Ros will be tasked to strengthen the relationship with key clients of Publicis Groupe and connect the GCL organization with the five global marketing transformation industry verticals. Based in New York, Ros will report directly to Arthur Sadoun who will personally oversee the transformation of the relationship with the top clients. Ros comes from Lloyds Banking Group where she implemented operationally the transformation of consumer engagement as Director of Marketing Innovation and Communications, after leading agencies and top accounts in the industry.

GROUP CSR POLICY

Numerous plans of action were carried out under the stewardship of Anne-Gabrielle Heilbronner, Secretary General of the Groupe and member of the Management Board.

Concerning its Talents and in the area of diversity and inclusion, gender equality is a top priority and has ramifications at all levels in the agencies: recruitment, career paths and promotion, equal pay, mobility, access to positions of responsibility. These considerations are all closely monitored.

Working alongside its clients and partners for greater efficiency, the Groupe has continued to fulfill its commitments within important initiatives such as CEO Action for Diversity & Inclusion in the USA. The sizeable delegation of women from the Groupe attending the 3% Conference in Chicago bears testimony to the involvement of our agencies in encouraging women to lead creative projects and manage teams. The Groupe and its agencies are also members of the Free the Bid initiative to promote women production managers. In the USA, by joining the Alliance for Inclusive Multicultural Marketing (AIMM), a number of our agencies have accepted to take on and encourage trainees from minority backgrounds with a view to future employment.

Similarly, in-house affinity groups such as VivaWomen! (gender equality) and *Égalité* (LGBT) pursued their goals in numerous countries, aimed at helping employees and promoting equal opportunities.

The Women's Forum for the Economy and Society was attended by over 2,600 participants at its Global Meeting in Paris in November 2018, after its first meeting in Singapore brought together 800 people. Publicis Groupe had its own delegation of women from various countries and businesses. For the very first time, The Women's Forum invited a delegation of high school girls and their teachers from the Paris region to attend the discussions. Thanks to Daring Circles, which was set up with various partners, a number of initiatives involving several companies began with concrete commitments such as more systematic recourse to suppliers with women CEOs, or the launch of a call for projects concerning better access for women to healthcare and preventive schemes.

In the Groupe's internal strategic plan "Sprint to the Future", and in the training program supporting the Groupe's internal transformation process, the priorities in 2018 were the setting up of the Publicis Learning Platform – the Groupe's operational platform for all major online learning – and the staging of the first regional sessions targeting the Groupe's "high potentials" (known as Lab1).

Concerning its clients, responsible marketing is at the very heart of The Power of One, whether in terms of creation, data or technology. This filters down into all the Groupe's dealings with its clients, and can entail going that extra mile in the field of diversity and inclusion, responsible consumption or limiting our impact on the environment. For instance, our involvement in "Unstereotype Alliance" (under the auspices of UN Women) has led us to deepen our commitment to fighting against gender stereotyping.

The Groupe is taking part in the roll-out of the new ICC Code of Advertising (International Chamber of Commerce) which is the profession's worldwide reference in the field of advertising self-regulation. The 2018 revised version has taken into account the digital transformation of society and includes all parties involved in the ecosystem as well as all types of interaction.

In the field of responsible purchasing, the Groupe is still deploying its plan to assess and monitor its global and local suppliers, using various internal and external means, and adopting a qualitative approach. This is part of the plan of action drawn up subsequent to the French law on Duty of Care.

In the field of Ethics and compliance, Europe's General Data Protection Regulation (GDPR) is now in force and we have the organization required to closely monitor projects and to confirm that Publicis Groupe's partners are fully compliant. Some one hundred points of contact have been appointed to facilitate the roll-out and follow-up of this ambitious project, and over 35,000 employees have received training by webinar. The Groupe's anti-corruption policy has been revised and circulated to all employees in the form of a compulsory webinar that has already been attended by nearly 50,000 employees. Our whistle-blowing arrangements have been reinforced to make it easier to channel information up through the ranks in the event of an incident, whether at the initiative of an employee or a third party.

Concerning Society, our commitment to SDG2 (Fight against Hunger) continues *via* One Table, through *pro bono* campaigns and volunteer work that enable us to conduct this fight effectively (within the broader context of the international sectoral operation known as Common Ground, the UN initiative promoting Sustainable Development Goals).

With regard to the Environment, the Groupe has intensified its in-house efforts to reduce its impact on several large cities (e.g. in areas such as real Estate, IT, general services, travel). Employees are directly instrumental in this undertaking, changing their own behavior in order to play a part in this collective effort, be it through waste transformation, the reduction of energy consumption, or by sourcing innovative partners within the circular or solidarity-based economy.

Everything done in the field of CSR by the Groupe and its agencies is publicly available *via* the CSR section of the Groupe's website, and a summary of all CSR data can be found under CSR Smart data.

ACQUISITIONS AND DISPOSALS

Publicis Groupe completed the disposal of **Genedigi** in the second quarter of 2018.

On July, Publicis Health announced the acquisition of **Payer Sciences,** a highly innovative agency using marketing strategies based on its considerable expertise in data analytics, supporting pharmaceutical groups in their dealings with reimbursement systems in the USA. This Morristown, New Jersey-based firm boasts a team of 40 data analysts who are experts in reimbursement systems and B2B communications.

On August, Publicis Communications announced the acquisition of **One Digital,** the Sao Paulo-based digital agency focusing on performance and creativity. One Digital was set up in 2003 but now counts 64 professionals working with Brazilian and international brands such as Agora (investment), American Express, Autoline (financial services), BitBlue (cryptocurrency), Bradesco (banking services), Next (online banking services), Norsk Hydro Brazil (aluminum production) and ShopFacil.com (e-commerce). The agency will be aligned with Publicis Communications which has a headcount of 1,700 in Brazil, all agencies combined (Arc, Deepline, DPZ&T, F/Nazca Saatchi&Saatchi, Leo Burnett, Tailor Made, MSL, Publicis Brésil, Prodigious, Sapient AG2, Talent Marcel and Vivid Brand).

On October, Publicis Groupe announced the acquisition of **Kindred Group,** the largest independent digital communications company in the Czech Republic. Kindred Group was founded in 2013 by Michal Nýdrle and a group of partners as a collective of independent specialized agencies that includes digital agencies Nýdrle and Inspiro, as well as media agencies Red Media and Go.Direct. Within five years, Kindred Group has become the Czech Republic's largest independent digital communications company by revenue (source: Association of Communications Agencies Czech Republic). Kindred Group works with a wide variety of international and local clients including Moneta Money Bank, Unilever, KMV, Vodafone, Zoot, Rémy Cointreau, Ceskoslovenska obchodní (bank), Huawei and Makro Cash & Carry. With this acquisition, Publicis Groupe will see its headcount reach the 400 mark, thus enabling it to offer end-to-end services to its clients in the Czech Republic, spanning data analytics, technological implementation and consulting, as well as programmatic media buying and data-driven creativity.

On October, Publicis Groupe announced that it had entered into exclusive negotiations with **Xebia France,** the agile IT consultancy firm. Founded in 2005 by Luc Legardeur, Xebia France is a renowned agile IT consultancy firm specialized in data, web and cloud technologies, reactive software programming and mobility. This technological gem, with a 170-strong talented team known as the "Xebians", works with large accounts such as Axa, Air France, BNP Paribas, la Française des Jeux, Meetic, Natixis, Sanofi, and start-ups such as BlaBlaCar, EarlyBirds and ManoMano. This merger will strengthen Publicis.Sapient in France (650 people) and bolster its high-end engineering capability. It will enhance Publicis.Sapient's unique selling proposition which combines strategy, consulting, experience and technology, an essential combination for successful end-to-end transformation of its clients. The acquisition was finalized at the end of 2018.

On December, Publicis Groupe announced it was entering into exclusive negotiations with the founding shareholders of **Soft Computing,** a leading data marketing firm in France, with a view to the acquisition of a controlling block representing 82.99% of the share capital at a price of 25 euro per share (2018 coupon attached), i.e. at a premium of 66.66% to the closing price on December 19, 2018. Created in 1984 by Éric Fischmeister and Gilles Venturi, Soft Computing is specialized in data and how it is applied to enhance marketing and transform the customer experience. With over 400 experts, this market-leading company provides its services to the majority of large corporates in the retail, services and financial sectors. This transaction would reinforce Publicis Groupe's data marketing expertise across the entire value chain in France, further consolidating its position as the preferred partner for its clients' transformation. The proposed acquisition is subject to prior information and consultation with the bodies representing Soft Computing's staff, as well as to the usual conditions precedent. If the acquisition of this controlling stake is completed, Publicis Groupe will file a simplified public offering, which may be followed by a compulsory buyout if the attendant conditions are met.

On December 31, 2018, Publicis Groupe agreed the sale of **Publicis Health Services** (PHS) to Altamont Capital Partners. The disposal was completed on January 31, 2019. This disposal came subsequent to the announcement in July 2018 that this entity would be strategically reviewed, followed by information to the market in October that a disposal procedure was about to begin. PHS provides Contract Sales Organizations (CSOs). This will enable Publicis Health, under the leadership of Alexandra von Plato, to refocus on its creative, media, insights and consulting activities. Publicis Groupe remains determined to provide its clients with the best possible offering for their digital transformation, and this will entail investments in healthcare-related consulting, data and technology.

Publicis Groupe is conducting a disposal process of **Proximedia.** Based in France, Belgium, the Netherlands and Spain, Proximedia helps SMEs, shopkeepers, self-employed craftsmen, in their digital communication. This disposal project takes place in the context of the "Sprint to the Future" plan. It will allow Publicis Groupe to focus its core assets, around data, dynamic creativity and technology. This disposal project will be subject to prior information or consultation with the bodies representing staff, and should be closed in the first half of 2019.

Publicis Groupe announced on April 14, 2019 it has entered into an agreement with Alliance Data Systems Corporation to acquire **Epsilon.**

Headquartered in the US, Epsilon is a unique technology and platform company focusing on maximizing the value of its clients' data. In 2018, Epsilon generated 1.9 billion of dollars of net revenue (1), 97 % in the United States. Epsilon employs approximately 9,000 employees, including 3,700 data scientists and 2,000 Bangalore-based technology delivery experts.

Epsilon's expertise spans across the entire data lifecycle from client's first-party raw data to personalized marketing campaigns, using technology, data and platforms.

(1) As per Publicis Groupe accounting principles.

Epsilon's success is evidenced by the endorsement of its blue chip clients: Epsilon has gained the trust of at least 7 out of the 10 largest US companies across various sectors including Auto, Retail, Financial Services, CPG and Media. In addition, its top 50 clients have an average tenure of 14 years and have generated an 8 % yearly growth on average over the last two years.

This acquisition will accelerate the implementation of Publicis' strategy to become the preferred transformation partner for its clients.

Under the terms of the agreed transaction, Publicis Groupe will acquire Epsilon for a cash consideration of 4.40 billion of dollars, representing a net purchase price of 3.95 billion of dollars after deducting the benefit of acquisition-related tax step-up. This implies an 8.2x multiple, based on a 2018 adjusted EBITDA (2) of 485 million of dollars.

The transaction will be double digit accretive to Publicis' headline EPS and Free Cash Flow per share (3) from year one (2020). As an illustration, based on 2018 pro forma figures, headline EPS accretion would equal +12.5 % (4) and Free Cash Flow accretion +18.3 % (5), excluding any transaction-related synergies.

Publicis remains committed to its 45% dividend payout ratio and will put on hold its share repurchase program in the context of this acquisition.

The transaction will be fully financed with debt and cash on hand, likely to maintain a financial profile in line with current BBB+/Baa2 ratings. Standard & Poor's has put the current BBB+ rating on credit watch with negative implication for a period of time that should last at least until the closing of the acquisition.

A full deleveraging on a net debt standpoint is anticipated within four years after completion of the transaction.

The transaction remains subject to customary approvals and is expected to close in Q3 2019.

In parallel, Publicis Groupe and Alliance Data have decided to build a strategic partnership.

(2) 2018 reported Epsilon EBITDA adjusted for standalone carve out costs of euro 21 million, share based compensation charge of euro 30 million to align with Publicis' accounting policy, euro 60 million of run rate cost reductions being implemented at Epsilon and before any potential cost synergies derived from this transaction. Conversion from € to $ at the 2018 average exchange rate of 1.18.
(3) Headline EPS and Free Cash Flow on a fully diluted basis.
(4) EPS adjusted for stand-alone carve-out costs and the run rate cost reductions being implemented at Epsilon.
(5) Free Cash Flow per share reflecting above adjustments, as well as yearly tax step-up effect.

ANALYSIS OF CONSOLIDATED INCOME STATEMENT

Net revenue

Publicis Groupe's Net revenue for the full year 2018 was 8,969 million euro, compared with 9,332 million euro in 2017, i.e. a 3.9% decrease. At constant exchange rates, growth was +0.1% but the actual impact of exchange rate variations was a negative 4.0% or 374 million euro. Net acquisitions contributed 5 million euro to Net revenue in 2018 (including the deconsolidation of Genedigi from January 1, 2018).

Organic growth was +0.1% in 2018. It was +0.8% without PHS. This includes 28% growth of Net revenue from the Strategic Game Changers, i.e. an organic contribution to Net revenue of close to +240 million euro, but also the 150 million euro impact of attrition.

Operating margin and operating income

Personnel costs totaled 5,747 million euro at December 31, 2018, down 3.8% from 5,977 million euro in 2017. This moderate decrease was mainly due to investments in the Strategic Game Changers amounting to 109 million euro, increased incentives payments as a result of the very good performance in terms of new accounts won in 2018, and savings achieved by simplifying the Groupe's structures. Fixed personnel costs of 4,968 million euro represented 55.4% of Net revenue after 56.0% in 2017. Freelance costs totaled 367 million euro in 2018, compared with 374 million in 2017. Restructuring costs stood at 104 million euro in 2018 (down from 120 million euro in 2017) as the Groupe reorganizes around The Power of One which increasingly integrates structures and activities. Cost savings of 2018 reached 194 million euro. Numerous investments (organization by country, development of production platforms, on-going regionalization of the Shared Services Centers, as well as various technological developments) will all help improve operational efficiency.

Other operating costs (excluding Depreciation & Amortization) amounted to 2,552 million euro, down from 2,603 million euro in 2017. When pass-through costs are factored out, Other operating costs represented 17.5% of Net revenue, down from 18.1% in 2017 thanks to the initial impact of the real estate restructuring program.

The Operating margin before Depreciation & Amortization was 1,652 million euro in 2018, down 0.8% from 1,666 million euro in 2017, i.e. a percentage margin of 18.4% of Net revenue (up from 17.9% in 2017).

Depreciation & Amortization for the period totaled 151 million euro, down 6.2% on 2017.

The Operating margin amounted to 1,501 million euro, down 0.3% on the 2017 margin of 1,505 million. At constant exchange rates, the Operating margin rose 5.0%. The operating margin rate was 16.7%, a 60-basis point increase on 2017. At constant exchange rates and the same scope of consolidation, this increase would have been 30 basis points. This was made possible by the decrease in restructuring costs (10 basis points) but also by the cost savings plans deployed over the last 18 months (210 basis points), i.e. 194 million euro. This has made way for investment totaling 109 million in the Game Changers aimed at building the Groupe's future growth (120 basis points) and increase in incentives payments for 70 basis points.

The operating margins by region were 16.3% for Europe, 17.3% for North America, 17.9% for Asia Pacific, 15.0% for Latin America and 9.6% for the Middle East & Africa.

Amortization of intangibles arising from acquisitions totaled 69 million euro in 2018, down from 73 million euro in 2017. The 114 million euro real estate transformation expense was as a result of the Groupe's All in One real estate program commenced in early 2018. An impairment charge of 17 million euro was booked for the period. Furthermore, a net non-recurring expense of 20 million euro was carried in 2018 (versus a net expense of 1 million in 2017), of which 18 million euro was the capital loss on the disposal of Genedigi in early April 2018.

Operating income totaled 1,281 million euro in 2018, after 1,316 million euro in 2017.

Other income statement items

Financial income (expense), which is comprised of the cost of net debt and Other financial income and expenses, amounted to a net expense of 16 million euro in 2018 after a net expense of 61 million euro in 2017. The cost of net debt was 22 million euro in 2018, down from 51 million euro in 2017. The improvement came from debt reduction at Groupe level and higher interest rates in the USA on cash in US dollars. Other financial income and expenses netted out at an income of 6 million euro, after an expense of 10 million euro in 2017. The change is due to the recognition of a change in the fair value of financial assets *(Fonds Communs de Placement à Risques)* in the P&L as of 2018 (IFRS9 accounting standard), for 9 million euro, when those changes were initially booked as equity.

The revaluation of earn-out payments amounted to an expense of 13 million euro at year-end, after an expense of 66 million in 2017.
Income tax for the period was 293 million euro, corresponding to an effective tax rate of 24.0% for 2018, after 312 million euro in 2017, i.e. an effective tax rate of 27.2%.

The Associates' share of profit was a loss of 4 million euro, compared with a loss of 5 million at year-end 2017. Minority interest totaled 11 million euro in 2018, after 10 million in 2017.

Overall, Net income attributable to the Groupe was 944 million euro at December 31, 2018, up from 862 million euro at December 31, 2017.

After application of IFRS 16, the Operating margin stood at 1,523 million euro, and the percentage operating margin was 17.0%. By region, the percentage margin was 16.4% for Europe, 17.7% for North America, 17.9% for Asia Pacific, 15.6% for Latin America, and 10.0% for the Middle East & Africa.
Operating income amounted to 1,303 million euro in 2018.
Financial income (expense) was an expense of 71 million euro in 2018, including interest expense of 58 million euro on lease commitments.
Income tax amounted to 285 million euro, corresponding to an effective tax rate of 24.0% for 2018.
Overall, Net income attributable to the Groupe stood at 919 million euro at December 31, 2018.

FINANCIAL AND CASH POSITION

Free cash flow

The Groupe's free cash flow, before application of IFRS 16 and excluding variations in working capital requirements, was down 8.2% on the previous year to stand at 1,182 million euro. At constant exchange rates, it fell 2.6%. This downswing was due to higher capex and the higher level of income tax paid. Investments rose to 196 million euro from 131 million euro in 2017. This increase includes investments made under the All in One real estate program. Income tax paid rose from 264 million euro in 2017 to 328 million euro in 2018, but while the first half-year 2017 saw the Groupe receive a tax refund, the first half of 2018 was marked by the first installment of the toll charge related to the US tax reform (spread over eight years).

Free cash flow including variations in working capital requirements was 1,311 million euro down 3.3% on the previous year, but a 2.4% increase at constant exchange rates.

After IFRS 16, the Groupe's free cash flow before variations in working capital requirements stood at 1,158 million euro. Free cash flow after variations in working capital requirements was at 1,311 million euro.
This indicator is used by the Groupe to measure liquidity generated by the operating activities after investments in fixed assets, but taken before acquisitions and disposals of equity interests and before financing (including the financing of working capital requirements).

Groupe equity and net debt

The Groupe's share of consolidated shareholders' equity rose from 5,956 million euro at December 31, 2017 to 6,899 million euro at December 31, 2018 before IFRS 16. After application of IFRS 16, this share stood at 6,853 million euro.

At December 31, 2018, before application of IFRS 16 the Groupe had net cash of 196 million euro, compared with net debt of 727 million euro at December 31, 2017 (debt/equity ratio of 0.12). The Groupe's average net debt in 2018 was 1,413 million euro before IFRS 16, down from 1,980 million euro in 2017.
After application of IFRS 16, the net cash position was 288 million euro at December 31, 2018 and the average net debt stood at 1,323 million euro.

Overall, the Groupe's cash position, net of credit balances on bank accounts, had increased by 812 million euro at December 31, 2018, after an increase of 177 million euro at December 31, 2017.

The Groupe's available liquidities amounted to 5,887 million euro at December 31, 2018 which means that the Groupe has the necessary cash resources to meet its operating requirements and investment plan over the next 12 months.

In order to manage its liquidity risk, Publicis has substantial cash and cash equivalents amounting to 3,206 million euro and confirmed unused credit lines amounting 2,681 million euro as of December 2018. The main component of these credit lines is a multi-currency syndicated facility in the amount of 2,000 million euro, maturing in 2020. These immediately available or almost immediately available, making it possible to largely meet the Group's general financing needs.

PUBLICIS GROUPE S.A. (PARENT COMPANY)

Operating income totaled 45 million euro at December 31, 2018, compared with 82 million in 2017, the decrease being mirrored in personnel costs variation. Financial income amounted to 166 million euro at December 31, 2018, after 188 million euro for the previous period. This downturn was mainly due to the decline in dividends received from the subsidiaries (54 million euro in 2018 versus 72 million euro in 2017).

Operating expenses stood at 50 million euro in 2018, down from 84 million in 2017. Financial expenses totaled 148 million euro at December 31, 2018, compared with 153 million a year beforehand.

Pre-tax profit from recurring operations was 13 million euro in 2018, after a profit of 34 million euro in 2017.

After inclusion of a 30-million euro income tax credit mainly resulting from tax consolidation in France, Publicis Groupe S.A., the Groupe's parent company, posted a profit of 43 million euro at December 31, 2018 after a profit of 82 million euro the year before.

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.

The Group heads into 2019 with optimism. That said, Q1 should be mixed due to the continued effect over the first few months of the attrition in the consumer goods sector. Nevertheless, the increasing effect of the significant account wins at end-2018 should improve organic growth in Q2.

The growth in the net revenue of **Strategic Game Changers** should remain sustained in 2019 following the strong performance in 2018. At the same time, the Group anticipates a level of attrition that could remain relatively high in 2019. 2019 organic growth should outstrip that in 2018 with confirmation of an organic growth target of +4.0% in 2020.

The operating margin should continue to improve from 30 to 50 basis points, in 2019 and in 2020. Growth in diluted headline earnings per share should be between 5% and 10% at constant exchange rates, in 2019 and 2020, excluding the impact of the BEAT tax (linked to the US tax reform) from 2019.

Design: PUBLICIS CONSULTANTS

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