

Puteaux, October 25, 2016

Revenue for the first 9 months of 2016 in line with targets

First 9 months of 2016

Revenue: €1,624 million
Unadjusted growth: +4.7%
Organic growth: +2.7%

3rd Quarter 2016

Revenue: €537 million
Unadjusted growth: +3.8%
Organic growth: +2.0%

Commenting on the Group's performance, Havas Group CEO **Yannick Bolloré** had this to say: "Group revenue for the first nine months of 2016 is in line with our targets, up 4.7% on an unadjusted basis and 2.7% on an organic basis.

North America is stable over the first nine months of the year mainly due to a high baseline. Q4 and 2017 should show improvement.

In the 3rd quarter, the Group performed strongly in Europe in all its major markets, including the United Kingdom where, the macro-economic climate notwithstanding, we achieved organic growth of 8.6%. The UK remains a key market for Havas, and we are continuing to invest and strengthen our presence there. Our next Havas Village will open its doors in London in Q1 2017 and will bring together over 2,000 talents specialized in every area of communications expertise. London is also the home of our latest acquisition, Target MCG, the UK's largest independent entertainment and lifestyle media group.

The French agencies have kept up their strong pace of growth and Southern Europe, led by Spain, Italy and Portugal, continued its strong momentum.

Asia Pacific and Latam posted respectively 1.5% and 1.7% organic growth for the first nine months of 2016. We believe we will experience more significant growth in this region soon.

My thanks once again to our teams, who have worked tirelessly to achieve a very solid level of net new business. Our "Together" strategy allows us to better serve our clients all over the world and the success of our fully integrated offering makes us confident for 2017."

1. KEY FIGURES

Revenue (in €M)	Q1 2016	Q2 2016	Q3 2016	9 months 2016
EUROPE	252	301	268	821
<i>of which</i>				
France	101	115	97	312
UK	63	67	64	194
Other European countries	88	119	107	315
NORTH AMERICA	187	196	190	574
APAC & AFRICA	38	46	45	128
LATIN AMERICA	29	38	34	101
TOTAL	506	581	537	1 624

Organic Growth	Q1 2016	Q2 2016	Q3 2016	9 months 2016
EUROPE	4.1%	3.4%	7.7%	5.0%
<i>of which</i>				
France	2.6%	2.8%	2.9%	2.8%
UK	-1.6%	-2.0%	8.6%	1.4%
Other European countries	10.6%	7.3%	11.8%	9.7%
NORTH AMERICA	1.2%	0.3%	-1.2%	0.0%
APAC & AFRICA	4.3%	8.9%	-7.1%	1.5%
LATIN AMERICA	11.4%	2.6%	-6.3%	1.7%
TOTAL	3.4%	2.7%	2.0%	2.7%

2. GENERAL COMMENTS

→ Consolidated Group **Revenue** for the first nine months of the year was €1,624 million, compared to €1,550 million for the equivalent period in 2015, an increase of 4.7%. Q3 2016 revenue was €537 million, up from €516 million in 2015.

→ Group **organic growth** (excluding variations in exchange rates and the scope of consolidation) was +2.7% for the first nine months and +2.0% in the third quarter.

Exchange rates had a negative impact of €46.3 million on the first nine months of 2016, mainly due to a falling GB pound, Argentine peso, Mexican peso and Brazilian real.

Highlights by region:

Europe:

With organic growth of 7.7% in Q3 and 5.0% over the first nine months of the year, Europe is very much the Group's growth driver. France merits a special mention for a fine performance in both creative duties and media, as does the very strong third quarter from the UK agencies, in spite of the macro-economic climate. The other European countries also made excellent progress, reporting growth of 11.8% for the quarter and 9.7% for the first nine months of the year, with the biggest contributors being Spain, Italy, Portugal and Belgium.

North America:

Growth slowed in Q3 against a high baseline and because of the one-off impact of client Draftkings being forced to halt promotion of its online contests for cash prizes. Havas Health and Havas Chicago continued their strong performance. The situation is set to improve in Q4 as a result of recent new wins that are not fully reflected in Q3 revenue.

Asia-Pacific and Africa:

Over the first nine months of the year, Asia-Pacific posted moderate growth against a high baseline and despite a significant slowdown in China, where certain clients cut back on their investment. Australia, however, reported strong growth.

Latin America:

The region saw a significant slowdown in Q3 2016, but its aggregate performance over the first nine months of the year was nonetheless in line with the same period of last year. There were contrasting performances: Brazil improving, Argentina dynamic and Mexico slipping but apparently stabilizing thanks to the development of certain major clients.

HIGHLIGHTS OF Q3 2016

a) NET NEW BUSINESS¹

At the end of September, net new business¹ stood at €2,054 million (in terms of billings, the yardstick adopted by the market).

Some of the most significant wins of Q3 2016 include:

Global: **GSK** (Havas New York), **Bourjois & Rimmel** (BETC London), **JTI** (Havas Media), **Perfetti Van Melle** (Havas Media);

Asia-Pacific: **ABB** for Asia and Europe (Havas Media International UK), **Lenovo** (Havas Media Malaysia), **GoBear** for the entire region (Havas Media Singapore), **Uni Tea** and **Bank of Communications** (Havas Shanghai);

Latin America: **Axion** (Havas Media Argentina);

USA: **Jaguar Land Rover** (Havas Formula PR);

Europe: **Vita Coco** (pan-European, Havas Media UK), **Top Shop** (Havas Media UK) and **Charles Wells** (Arena Media UK), **Domino's** (Havas People UK) in the UK, **Simba Toys** (Havas Media Spain), **BN Telekom** (Havas Media Turkey), **Glitter** (Havas Media Sweden), **Chateau d'Ax** (Havas Milan).

See Annex 2 for a detailed list of new account wins.

b) ACQUISITIONS

In early October, the Group announced its acquisition of **Target Media and Communications Group**, the UK's largest independent entertainment and lifestyle media group. Since its launch in 1990, Target MCG has consistently been the media industry's fastest-growing group in its market.

c) HAVAS VILLAGES

Keeping faith with our "Together" strategy and the edge it gives us in anticipating and responding more effectively to the needs of our clients, the Group continues to make collaboration and integration a concrete reality through the launch of more Havas Villages. These villages are inspiring spaces where every aspect of communications expertise is gathered under a single roof so that teams can work in synergy. There are currently 46 Havas Villages throughout the world.

September saw the opening of the BETC Pantin Village in a truly amazing building, a redeveloped Customs warehouse known as *Les Magasins Généraux*. This unconventional building has a key role to play in BETC's transformation. The agency was determined to build its own environment, a resource building with the capacity to house 900 people and that can facilitate development and growth.

The aim of this bold project is to make the entire building a space for creation, reflection and experimentation open to clients, partners and all those involved in the work of the agency: producers, photographers, authors, directors, musicians, journalists, designers, engineers, architects, restaurant owners and more.

4. CORPORATE SOCIAL RESPONSIBILITY

A number of initiatives took place in the third quarter of the year:

- In September, the Global Compact France, **Havas Paris**, CSA Research and L'Express published the results of a survey on a new role for CSR as a force for corporate performance ("*Les nouvelles frontières de la responsabilité sociétale en entreprise: un modèle au service de la performance?*").

Based on a poll of 192 firms, the survey set out to analyze the role that CSR could play in the future.

It highlighted those areas in which respondents felt that a CSR approach would have greatest impact: most often cited was corporate image (93%) but this was closely followed by the long-term continuity of the business (91%). Employee engagement (88%) was also perceived as a major benefit, along with differentiation from the competition (86%) and innovation (81%).

For the full survey results: <http://presse.havasparis.com/les-nouvelles-frontieres-de-la-responsabilite-societale-en-entreprise-un-modele-au-service-de-la-performance/>

- To mark its 40 years in business, agency **Havas PR North America** announced the launch of its "400 for 40" pro bono project, donating \$400,000 worth of skills mentoring time to charities and non-profit groups.

The New York office will be working for the Bob Woodruff Foundation, set up to help wounded veterans and their families, while the Pittsburgh office will work for the University of Pittsburgh Cancer Institute.

For more information about the Group's CSR policy:

<http://www.havasgroup.en/csr>

5. MAJOR AWARDS

The Group scooped a total of 14 awards in various categories of the **CLIO Awards**.

Havas New York won 11 awards, including 3 Silver and a Bronze (in Integrated, Print, Audio-Radio and Audio) for the "*Adios Amigos*" campaign for Heineken/Dos XX. "*The Most Interesting Man in the World*" campaign for Heineken/Dos XX was also inducted into the Hall of Fame in two categories.

In Design, the "*Canal Notes*" campaign was awarded Bronze in Self-Promotion. The "*Bob Dylan – Studio A Revisited*" campaign for Sony Music/Legacy Recordings took 2 Bronze (in Branded and Digital). The same campaign was awarded a Gold and a Silver at the Clio Music Awards.

Three French agencies took home awards: **BETC** took a Silver in Film Craft for "*The Mechanic*" for Reckitt Benckiser/Cillit Bang, **Rosapark** was awarded a Bronze in Design for "*Picnic Blankets*" for its client Moncigale and **Havas Paris** won a Bronze in Print Craft for "*The Rocker*" campaign for Lehning/Voxpax.

Group agencies left the **Shark Awards** with a total tally of 23 awards. **BETC Paris** scooped 4 Gold, 2 Silver and 2 Bronze for clients Ubisoft, Evian, Petit Bateau and Canal+. **Rosapark** took a Gold, 3 Silver and 4 Bronze for Brother, Europcar, Decathlon and Moncigale and **Havas Paris** left with 2 Silver and a Bronze for Lehning/Voxpax.

Of the US agencies, the “*Endless Table*” campaign for Reynolds by **Havas Chicago** was awarded a Silver and 2 Bronze, and **Arnold Boston’s** “*My Dad*” campaign for Hershey’s won a Silver.

At the **WebAwards**, **BETC Paris** carried off 4 awards for Ubisoft, including Best of Show. **Havas Paris** was a three-times winner, including Best of Industry, for its “*On Board Careers*” campaign for the French Navy. **Havas San Francisco** was also awarded for its website design for client Buck Wild Snacks.

At the **Spikes Asia**, **Host** took a Gold for the “*#Airline Wager*” campaign for Air New Zealand & Quantas. **Havas Shanghai** was awarded a Silver and a Bronze for its “*SMS Last Words*” campaign for the Global Road Safety Partnership. **Havas Ortega** and **Havas Australia** each won a Bronze, for the Makati Business Club and Australian Defence Force Recruiting respectively.

At the **IAB Mixx Awards**, **Havas Chicago** was awarded a Gold for “*#SaidNoSchoolEver*” for Hefty plus a Gold and a Bronze for “*Endless Table*” for Reynolds. The **Arnold Boston/Havas New York** pairing took a Gold and a Silver for the “*#AllTreesAreBeautiful*” campaign for Reese’s, and **Havas New York** was awarded a Bronze for Sony Music/Legacy Recordings.

Havas PR North America took a Gold and a Bronze for two campaigns for Arizona and 4 Gold awards for a number of campaigns for the United Nations Foundation at the **Bulldog Not For Profit PR Awards**.

The **Singapore Media Awards** named **Havas Media Asia Pacific** Media Agency of the Year, while the **Premios Digi Peru** hailed **Havas Media Peru** as its Digital Agency of the Year. **RECMA Philippines** awarded **Havas Media Ortega** the top slot in its ranking, and **Havas Shanghai** came in 6th in the China’s Hottest Agencies ranking established by **Campaign Brief Asia**.

ANNEX 1

Revenue (en M€)	Q3 2015	Q3 2016	Organic growth	9 months 2015	9 months 2016	Organic growth
EUROPE	243	268	7.7%	747	821	5.0%
<i>of which</i>						
France	81	97	2.9%	263	312	2.8%
UK	69	64	8.6%	205	194	1.4%
Other European countries	93	107	11.8%	279	315	9.7%
NORTH AMERICA	191	190	-1.2%	566	574	0.0%
APAC & AFRICA	45	45	-7.1%	125	128	1.5%
LATIN AMERICA	37	34	-6.3%	112	101	1.7%
TOTAL	517	537	2%	1 550	1 624	2.7%

ANNEX 2

Havas Media Group:

ABB: HMI UK (Europe & Asia)
Ageas: Arena Media Portugal
Axion: Havas Media Argentina
Bet.pt: Arena Media Portugal
BN Telekom: Havas Media Turkey
Charles Wells: Arena Media UK
Conseil Regional Ile de France: Havas Media France
Dragone: Havas Media UAE
GoBear: Havas Media Singapore (Asia-Pacific)
Glitter: Havas Media Sweden
Herfy: Havas Media UAE
Inbisco: Havas Media India
JDE: Havas Media UAE
JTI: Global
Lenovo: Havas Media Malaysia
Netjets: LuxHub UK
Noel: Havas Media Spain
Ozforex: Havas Media Australia
Perfetti Van Melle: Global
Saint Gobain: Havas Media France
Simba Toys: Havas Media Spain
Swarovski: Global (35 markets)
Topshop: Havas Media UK
Vita Coco: Havas Media UK (pan-European)
Weetabix: Havas Media UK

Havas Creative Group:

Bank of Communications: Havas Shanghai (creative duties)
Bourjois: BETC London (global creative duties)
Chateau d'Ax: Havas Milan (integrated campaign)
Domino's: Havas People UK (integrated campaign)
Dubai Airports: Havas People London (integrated campaign)
Ford: Project House (CRM)
GameOn: Havas Canada (integrated campaign)
GSK: Havas (global integrated campaign)
red rooster: Host Sydney (integrated campaign)
Rimmel: BETC London (global creative duties)
Singapore Management University: Havas Singapore (creative duties)
Sprite: Havas Ortega (engagement)
Touch Bank: Arnold Moscow (integrated campaign)
Jaguar Land Rover: Havas Formula (PR)
Uni Tea: Havas Shanghai (integrated campaign)

About Havas Group

Havas is one of the world's largest global communications groups. Founded in 1835 in Paris, the Group now employs 20,000 people in over 100 countries. Havas Group is committed to being the world's best company at creating meaningful connections between people and brands through creativity, media and innovation. Havas is also the most integrated Group in its sector: the Together Strategy is implemented through Havas Villages where most creative and media teams share the same premises which increases synergies for clients and better serve their needs.

Havas Group is organized into two divisions: Havas Creative Group and Havas Media Group. Havas Creative Group incorporates the Havas Worldwide network (havas.com), present in 75 countries, the Arnold micro-network (arn.com), 10 agencies in 9 countries, as well as several leading agencies including BETC and the Fullsix Group. Havas Media Group (havasmediagroup.com) is made up of three media brands, Havas Media (havasmedia.com), Arena Media (arenamedia.com) and Fullsix Media all of which work alongside Havas Sports & Entertainment (havas-se.com), the industry's largest global brand engagement network.

Further information about Havas Group is available on the company's website: havasgroup.com

Forward-Looking Information

This document contains certain forward-looking statements which speak only as of the date on which they are made. Forward looking statements relate to projections, anticipated events or trends, future plans and strategies, and reflect Havas' current views about future events. They are therefore subject to inherent risks and uncertainties that may cause Havas' actual results to differ materially from those expressed in any forward-looking statement. Factors that could cause actual results to differ materially from expected results include changes in the global economic environment or in the business environment, and in factors such as competition and market regulation. For more information regarding risk factors relevant to Havas, please see Havas' filings with the AMF (*Autorité des Marchés Financiers*) (documents in French) and, up to October 2006, with the U.S. Securities and Exchange Commission (documents in English only). Havas does not intend, and disclaims any duty or obligation, to update or revise any forward-looking statements contained in this document to reflect new information, future events or otherwise.

(1): Net New Business

Net new business represents the estimated annual advertising budgets for new business wins (which includes new clients, clients retained after a competitive review, and new product or brand expansions for existing clients) less the estimated annual advertising budgets for lost accounts. Havas' management uses net new business as a measurement of the effectiveness of its client development and retention efforts. Net new business is not an accurate predictor of future revenues, since what constitutes new business or lost business is subject to differing judgments, the amounts associated with individual business wins and losses depend on estimated client budgets, clients may not spend as much as they budget, the timing of budgeted expenditures is uncertain, and the amount of budgeted expenditures that translates into revenues depends on the nature of the expenditures and the applicable fee structures. In addition, Havas' guidelines for determining the amount of new business wins and lost business may differ from those employed by other companies.

Other definitions:

Organic growth is calculated by comparing revenue for the current financial period against revenue for the previous financial period adjusted as follows:

- revenue for the previous financial period is recalculated using the exchange rates for the current financial period;
- to this resulting revenue is added the revenue of companies acquired between January 1 of the previous financial period and the acquisition date for the period in which these companies were not as yet consolidated;
- revenue for the previous financial period is also adjusted for the consolidated revenue of companies disposed of or closed down between January 1 of the previous financial period and the date of disposal or closure.

Organic growth calculated by this method is therefore adjusted for variations in exchange rate against the euro, and for variations in the scope of consolidation.

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