HAVAS

2002 INTERIM RESULTS

Havas back into profit

The results for the first half of 2002 are in line with objectives in a much tougher market context than expected. The stock market crises, the failure of a number of listed companies to achieve the expected results, the loss of consumer confidence, contradictory economic indicators and accounting irregularities at a number of major groups have all produced a significant lack of visibility.

All these factors have increased the confusion and hesitation in the market.

In this context, Havas has continued to concentrate its efforts on the objectives set out at the beginning of the year:

1) Achieve organic growth above the average of our principal competitors

2) Develop strong New Business

3) Implement a cautious targeted investment policy

4) Control the debt

5) Deliver a rebound in operational profitability for 2002 compared to 2001

We have achieved, and on certain items surpassed, the goals set, which demonstrates that the Havas teams have reacted with talent in this environment.

We are continuing our drive in the second half in a market in which we do not expect any real improvement compared to the first half, with the possible exception – and even here we remain cautious – of the USA. Our efforts will be focused on the development of existing clients, winning New Business and reducing costs.

Our two main objectives for 2002 are:

- Achieve organic growth higher than the average of our principal competitors
- Improve by one point EBIT ratio compared to 2001 (before exceptional items)

If the current market environment does not deteriorate further then we will achieve our objectives in terms of growth and profitability.

Alain de Pouzilhac
Chairman & CEO

CONSOLIDATED FINANCIAL STATEMENTS
1ST HALF 2002

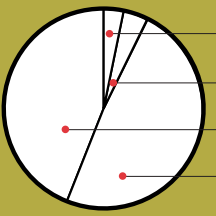
CONSOLIDATED INCOME STATEMENT

(in € million)	1st half 02	1st half 01	2001
Revenue	**1,029**	**1,065**	**2,241**
Operating income	**115**	**128**	**234**
Associates	0	(1)	(1)
EBIT before exceptional	**116**	**127**	**233**
Exceptional items	(5)	(109)	(151)
EBIT	**110**	**18**	**81**
% operating margin	*10.7%*	*1.7%*	*3.6%*
Financial income (expense)	(18)	0	(25)
Income tax	(34)	(14)	(29)
Minority interests	(8)	(11)	(16)
Net income, Group share, before goodwill amortization	**50**	**(7)**	**11**
Goodwill amortization	(35)	(22)	(69)
Net income Group share	**15**	**(28)**	**(58)**

CONSOLIDATED STATEMENT OF CASHFLOWS

(in € million)	1st half 02	1st half 01	2001
Operating cash flow	87	86	125
Changes in working capital	20	(154)	(23)
NET CASH PROVIDED BY OPERATING ACTIVITIES	**107**	**(68)**	**102**
Intangible and tangible investments	(34)	(52)	(95)
Financial investments*	(44)	(189)	(251)
Fixed assets sales and other	14	33	39
NET CASH PROVIDED BY INVESTING ACTIVITIES	**(64)**	**(208)**	**(308)**
Dividends paid	(83)	(14)	(83)
Capital increase	5	(2)	(1)
Net change in indebtedness and other	429	(14)	(28)
NET CASH PROVIDED BY FINANCING ACTIVITIES	**351**	**(31)**	**(112)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**394**	**(307)**	**(317)**
** Of which Earn Out/Buy Out*	*(44)*	*(23)*	*(46)*

GEOGRAPHICAL BREAKDOWN OF REVENUE



NET DEBT

(in € million)	06/30/02	12/31/01	Strike price (in €)
CB 99 – Maturity 01/01/2004	(85)	(85)	9.40
CB 00 – Maturity 01/01/2006	(709)	(709)	21.60
CB 02 – Maturity 01/01/2009*	(450)	0	10.75
TOTAL CONVERTIBLE BONDS	**(1,244)**	**(794)**	
Bank loans	(144)	(164)	
Other credit facilities	(39)	(61)	
Overdrafts	(115)	(151)	
GROSS DEBT	**(1,543)**	**(1,169)**	
Cash and cash equivalents	800	466	
NET DEBT	**(743)**	**(703)**	

** With put option on 01/01/2006.*

CONSOLIDATED BALANCE SHEET

(in € million)	06/30/02	12/31/01
ASSETS		
Goodwill	1,831	1,940
Intangible and Tangible investments	286	314
Financial investments	29	27
Working capital	60	80
Total assets	**2,206**	**2,361**
LIABILITIES		
Shareholders' equity (Group share)	1,196	1,382
Shareholders' equity (minority interests)	35	60
Provisions for risks and expenses	206	193
Net debt	743	703
Debt on fixed assets	26	23
Total liabilities	**2,206**	**2,361**

EARNINGS* PER SHARE

(in €)	1st half 02	1st half 01	1st half 01**
Basic CEPS	0.17	(0.03)	0.26
Fully Diluted CEPS	0.16	(0.03)	0.25

** Net income group share before goodwill amortization.*
*** Net income group share before extraordinary result and goodwill amortization.*

HIGHLIGHTS

NEW BUSINESS

Traditional Advertising	Reckitt Benckiser, Yahoo, Celebrity Cruises, Marshall Fields, US Tennis Association, Blue Shield Blue Cross, Bermuda Tourism (U.S.A.); Sephora (Europe); Argos, Prudential, Coppertone, Roche (GB); Austria Telekom (Austria); Habitat, Nike (France); Boehringer's Thomapyrin, Fromages de Hollande (Germany); Statoil (Sweden); Swisscom (Switzerland); Banco Bilbao, Brahma, Campbell Soup (Latin America); DHL (Mexico); Metro Hypermarket (China); State Bank of India (India).
Marketing Services	Nestlé Beverages, The Mattress Firm, Volvo, Panasonic, Amgen, Bulk Consulting, Sara Lee, Wells Fargo, Bank of America, Royal Caribbean, Bristol Myers Squibb (U.S.A.); Automotive Association, Schroders, HP Foods, Nortel Telecom, GlaxoSmithkline, OKI Data Corporation, Natwest Bank, Royal Sun Alliance, Royal Bank of Scotland, Premier League, Sun Microsystems (GB); Vivarte (France); Unilever (Mexico).
Media	The Krystal Company, Red Bull, Johnson Products (U.S.A.); Peugeot (Brazil); Sky TV, La Polar (Chile); Bancafé (Colombia); Brahma, Banco Inbursa, 20th Century, Teimaiken, DHL (Latin America); Bosch (Poland); Turespana, Wanadoo, Acquarius, Plus Superdescuento, Cacique, Retevision (Spain); Telegate (Germany); Entremont, Legrand (France); Coppertone (GB).

DISTINCTIONS

- **BETC Euro RSCG** named "Agency of the Year" in Europe by *AdAge Global* and "Most Creative Agency" in France for the 8th year running by *CB News* (January 2002).
- **CraveroLanis Euro RSCG** named "Agency of the Year" in Latin America by *AdAge Global* (January 2002).
- **Euro RSCG Marketing Services** ranked world leader by the Direct Marketing Association (January 2002).
- **Arnold Worldwide** proclaimed the world's 3rd best agency in 2001 by *AdAge* and its Volkswagen campaign named "Best Marketing Campaign of 2001" by *Fortune* magazine (January 2002).
- **Motivforce** and **Euro RSCG Corporate** (France) elected "Agencies of the Year" at the 22nd Grand Prix des Agences de l'Année sponsored by Corporate Resources Management (January 2002).
- **Euro RSCG Sydney** named "Australian Interactive Agency of the Year" by *Ad News* (February 2002).
- **Euro RSCG Interaction** ranked second among all interactive agencies worldwide by *Adweek* Interactive Agency Report Cards. (February 2002).
- **KLP Euro RSCG** named "UK Marketing Communications Agency of 2002" by The Marketing Communications Consultants Association (March 2002).
- **Euro RSCG** named "Best Advertising Group of the Year" in Poland by *Media & Marketing Poland* (May 2002).
- **Euro RSCG Worldwide** ranked leading global network in new business for the first 4 months of the year by *Ad Age Global* (May 2002).
- **Partners Andrews Aldridge** (Partners BDDH UK) elected "DM Agency of the Year" by *Campaig*n (April 2002) and by *Precision Marketing* (June 2002).

ACQUISITIONS/REORGANIZATION

- Acquisition in the U.S. by Magnet Communications of **Hauser Bragg Communications**, a public relations agency.
- Acquisition by MPG of **Schmitter Media Agentur** in Germany.
- Creation of two fully integrated entities in the U.S., combining eleven agencies: **Euro RSCG MVBMS Partners** and **Euro RSCG Tatham Partners**.

6th largest communications group worldwide
present in **65** countries
300 agencies
18,700 employees

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NEW YORK

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Headquarters in
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