



2002 FULL YEAR RESULTS

Analysts' presentation

March 6th 2003

Forward-Looking Information

This document contains certain “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. These forward-looking statements reflect Havas’ current views about future events and are subject to risks, uncertainties, assumptions and changes in circumstances that may cause Havas’ actual results to differ significantly from those expressed in any forward-looking statement. Certain factors that could cause actual results to differ materially from expected results include changes in global economic, business, competitive market and regulatory factors. For more information regarding risk factors relevant to Havas, please see Havas’ filings with the U.S. Securities and Exchange Commission. 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.

Note 1: Except where otherwise indicated, EBIT as used means earnings before interest, taxes and goodwill amortization

Note 2: Except where otherwise indicated, net New Business in this presentation means the annual estimated advertising budgets minus estimated annual advertising budget losses.

The 2002 results show

- improved margins
- improved cashflow
- reduced debt
- strong new business
- a negative organic growth but which positions Havas as 3rd relative to its principal competitors

2002 Highlights

- Improved EBIT margin before WorldCom reserve : 11.6% (vs. 10.4% in 2001 before exceptional restructuring items). EBIT margin after WorldCom reserve : 11.1 % (vs 3.6 % in 2001).
 - Increased net income before goodwill: €94.6 million (€11.1 m in 2001)
 - Revenue: €1,987 million, down 11.3%, - 7.7% at comparable exchange rates and organic growth of - 5.8 %
 - Reduction in net debt: €664.4 million at 31 December 2002 (€703.3 million at 31 December 2001) from
 - Improved cashflow: € 197m, +58%
 - Inflow in Working capital: €47 million (outflow €23 million in 2001)
 - Positive net free-cashflow: €54 million (negative €289 million in 2001)
 - €1.6 billion of net New Business. Ranked top in New Business as a percentage of advertising revenues
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2002 - Income statement

€M	2002	2001	% Change
Revenues	1,987.4	2,241.4	-11.3%
EBIT	219.7	81.3	170.3%
EBIT margin	11.1%	3.6%	
Financial Charges	(46.5)	(25.0)	86.0%
Taxes	(61.7)	(29.0)	112.9%
Tax rate	35.6%	51.4%	
Minority Interests	(17.0)	(16.1)	5.5%
Net Income before Goodwill, Group share	94.6	11.2	
Net Income, Group share	23.5	(57.8)	

Earnings per Share

in cents	2002	2001
<u>Basic</u>		
EPS pre-goodwill	32	4
EPS	8	(21)
<u>Fully Diluted</u>		
EPS pre-goodwill	31	4
EPS	8	(21)

2002 RESULTS

Analysis

2001 - 2002 Growth

Organic*: - 5.8 %

Constant currency : - 7.7 %

Unadjusted : - 11.3 %

* See Appendix for full detail

Relative Performance

Organic Growth

2002

OMNICOM

2.8 %

PUBLICIS + BCom 3

-3.9 %

HAVAS

-5.8 %

WPP

-5.9 %

INTERPUBLIC (estimated)

-8.6 %

CORDIANT (estimated)

-11.0 %

Source : Companies/analysts

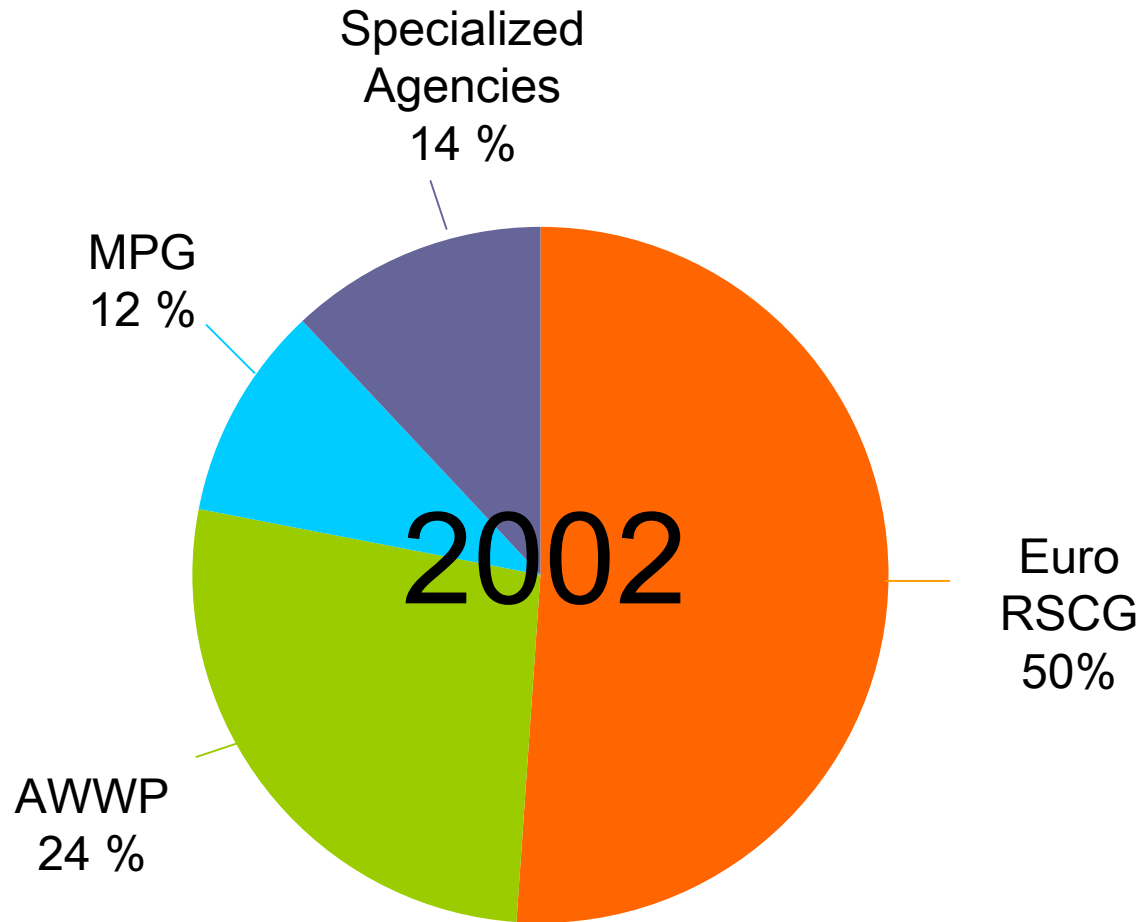
Revenue by Region

	2002 €M	2001 €M	Q4 % organic	Full year % organic
TOTAL	1,987	2,241	- 6.7 %	- 5.8 %
Europe	976	1,083	- 11.4 %	- 5.7 %
North America	868	980	- 1.5 %	- 7.2 %
Asia Pacific	76	95	+ 6.3 %	+ 5.2 %
Latin America	67	83	- 3.0 %	+ 0.5 %

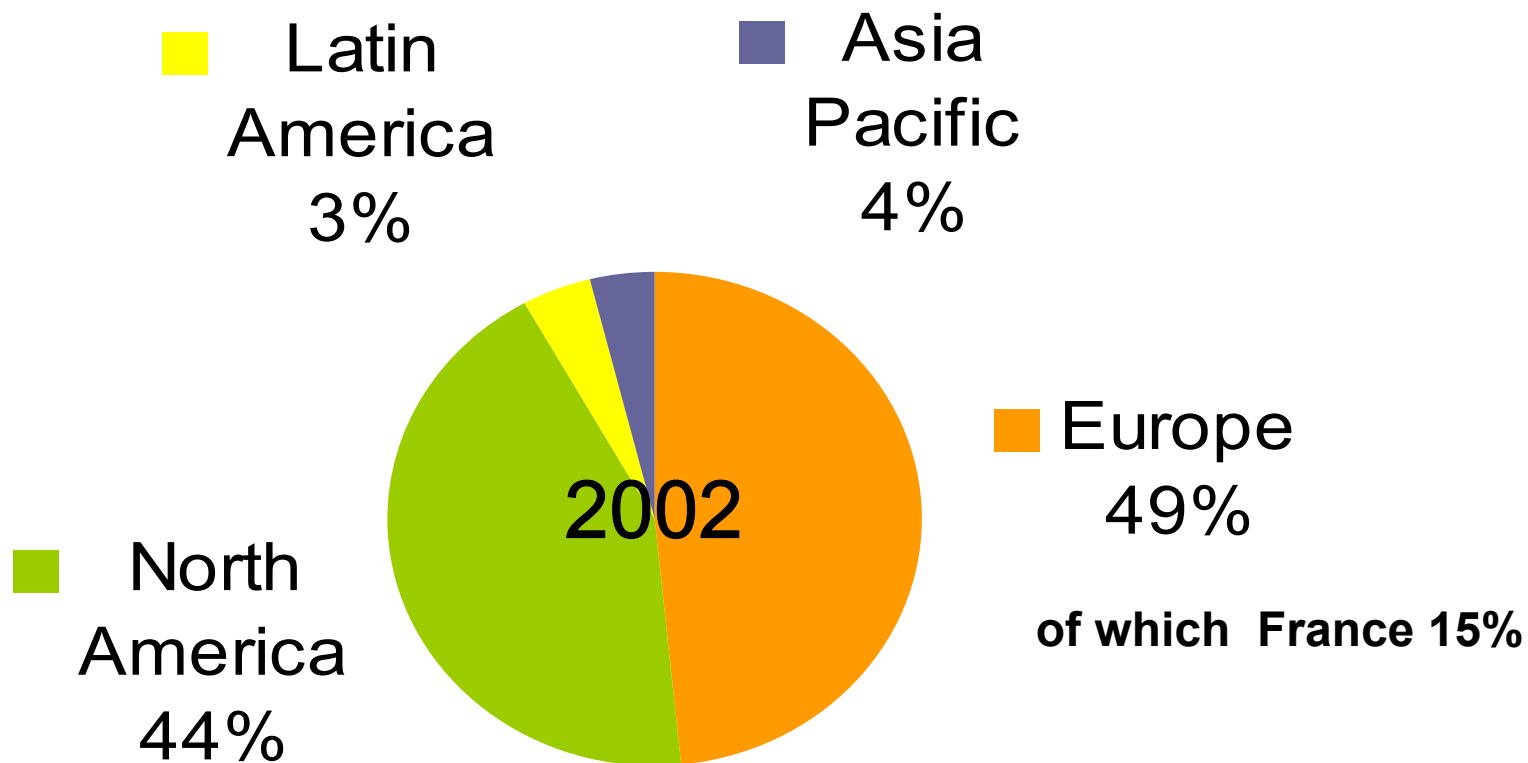
Revenue by Discipline

	2002 €M	2001 €M	Q4 % organic	Full year % organic
TOTAL	1,987	2,241	- 6.7 %	- 5.8 %
Advertising	754	881	- 0.2 %	- 6.6 %
Marketing Services & Media	1,233	1,360	- 10.4 %	- 5.3 %

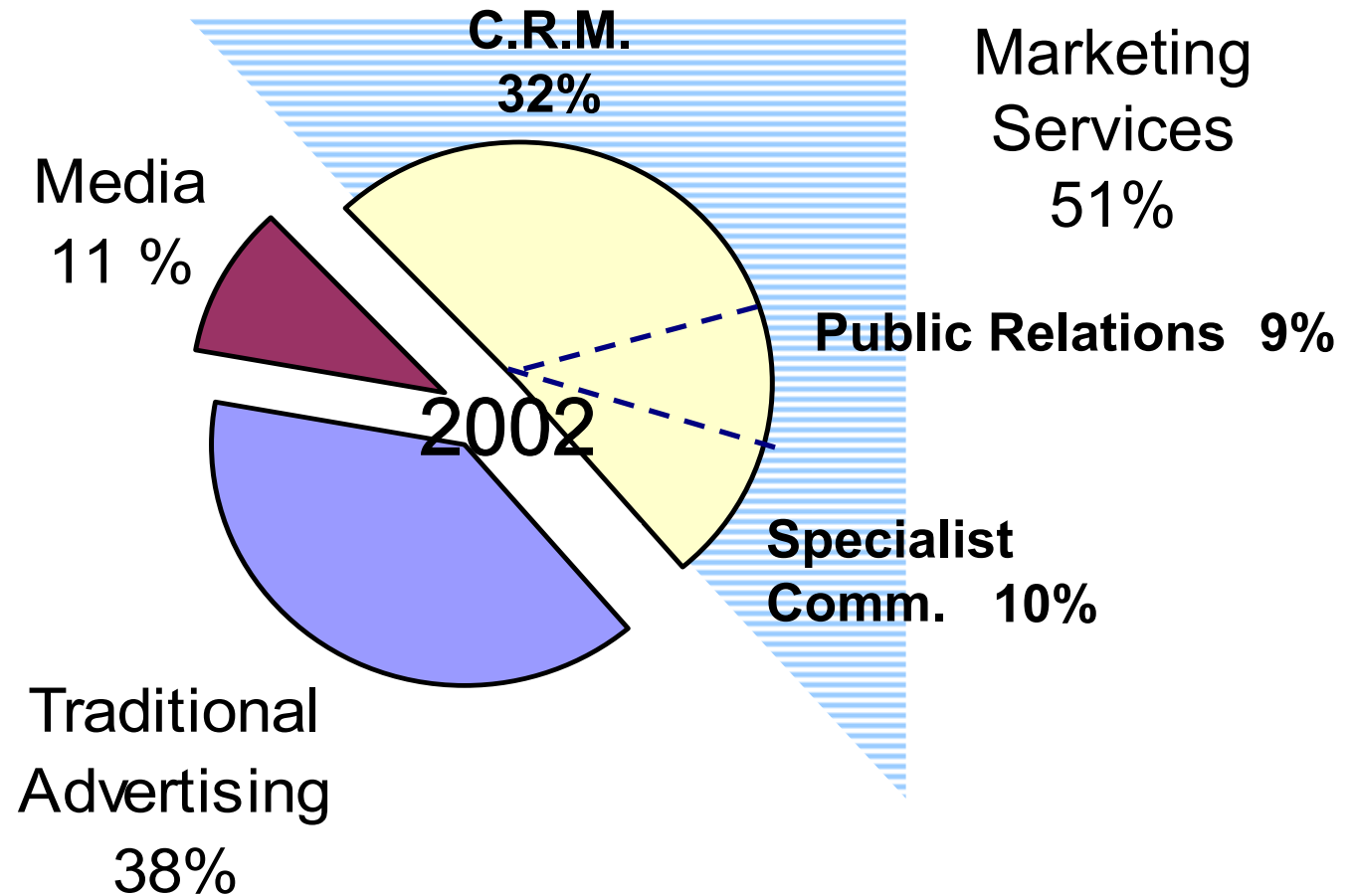
Revenue by Division



Revenue by region



Revenue by discipline



New Business Performance in 2002

CSFB ranks Havas n°1 for New Business as a % of advertising billings

	<u>% of 2002 estimated ad billings</u>
HAVAS	8.5
WPP	7.0
OMNICOM	4.6
INTERPUBLIC	3.5
PUBLICIS	1.5
CORDIANT	-18.0

Source : CSFB New Business Monitor January 14, 2003

New Business in 2002

6 large, global budgets won :

ADVERTISING : Reckitt Benckiser, Yahoo, Bearing Point (KPMG)

MARKETING SERVICES: Nestlé Beverages

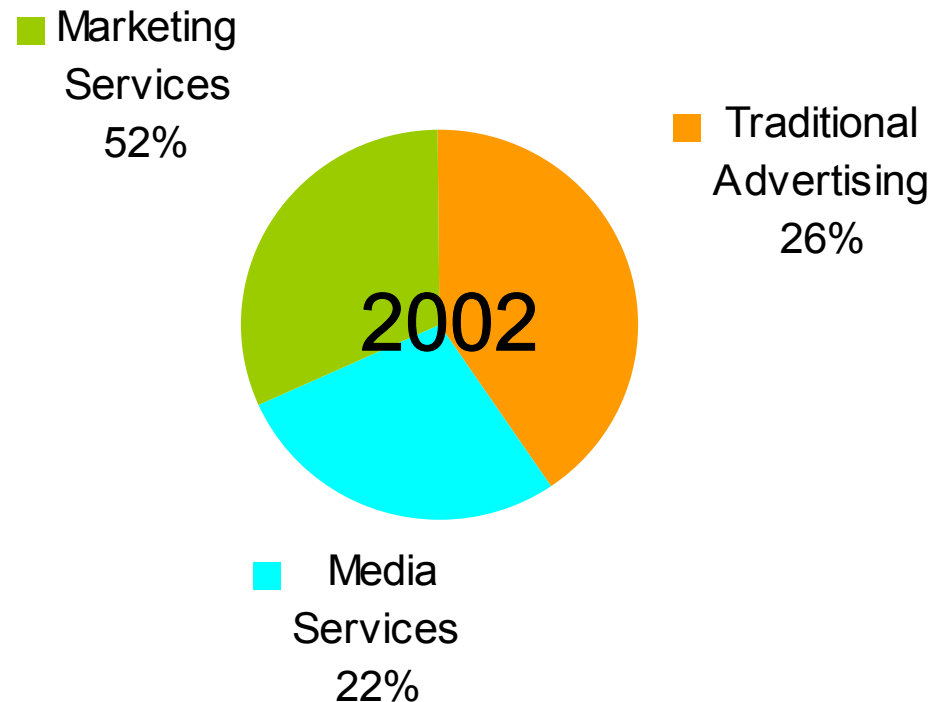
MEDIA : Reckitt Benckiser, Géox

- development of sectors **other than** TMT, representing 90% of New Business won
- 50 new budgets won in the health sector
- strong development of existing clients by geographical or discipline cross fertilization : Peugeot (22 new budgets), France Telecom, L'Oreal, Danone, Air France
- key local or regional brands won :
 - ADVERTISING : McDonald's, Boston Market, Dunlop, Coors, Prudential, Sony, LG Electronic
 - MARKETING SERVICES : Citigroup, Stanley Tools, Automobile Association, Nokia, Barclays, Michelin, Brahma
 - MEDIA: Banco Santander, DHL, Turespana
- key losses :
 - Procter & Gamble, Isuzu, Belgacom, Macquarie Bank

2002 New Business Billings

- Wins : € 2.9 billion
- Losses : € (1.3) billion
- Net : € 1.6 billion

Net new business by discipline



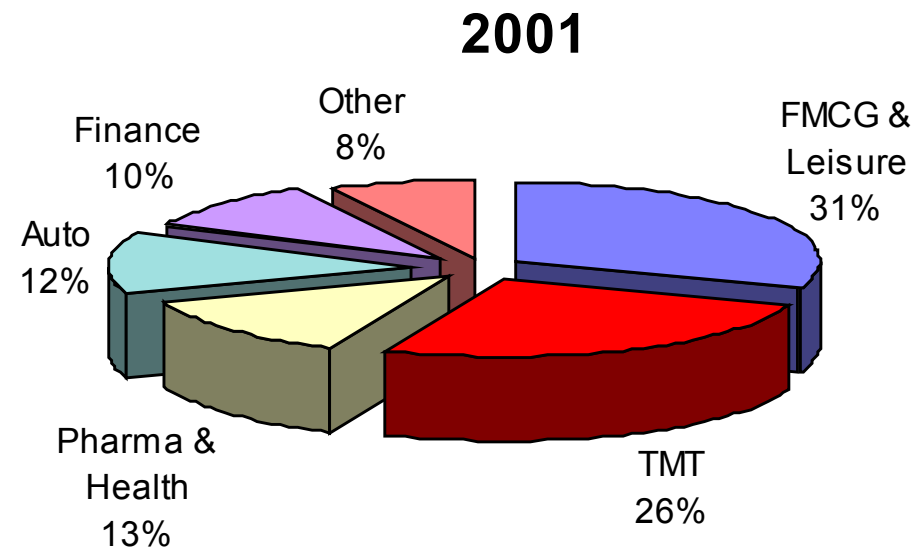
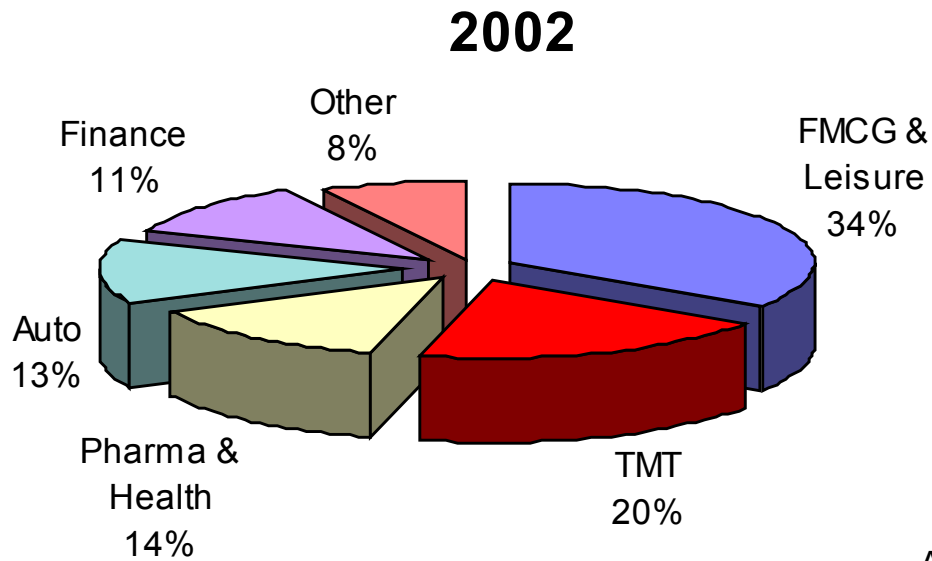
A Well-Diversified Client Base

- Top client represents $\simeq 3$ % of Revenue

- 25 top clients $\simeq 28$ % of Revenue

- Top sector: Healthcare $\simeq 14$ % of Revenue

Estimated revenue breakdown by Client sector*



*Extrapolation based on identified revenues

2002 - Income statement

€M	2002	2001	% Change
Revenue	1,987.4	2,241.4	-11.3%
Operating expenses	<u>(1,758.6)</u>	<u>(2,007.4)</u>	-12.4%
Operating Profit	228.8	234.0	-2.2%
Exceptionals	(9.1)	(151.3)	
Associates	<u>-</u>	<u>(1.4)</u>	
EBIT	219.7	81.3	170.3%
<i>EBIT margin</i>	11.1%	3.6%	
Financial Charges	(46.5)	(25.0)	86.0%
Taxes	(61.7)	(29.0)	112.9%
<i>Tax rate</i>	-35.6%	-51.5%	
Minority Interests	(17.0)	(16.1)	5.5%
Group Share of Income before Goodwill	<u>94.6</u>	<u>11.2</u>	

2002 – EBIT

€M	2002	2001	△
▪ EBIT before WorldCom reserve in 2002 & exceptional items in 2001	231	233	
▪ margin	11.6 %	10.4 %	+1.2 pt
▪ EBIT	220	81	
▪ margin	11.1 %	3.6 %	+7.5 pts

Productivity Ratios

% of revenue	2002	2001
Personnel expenses	56.5 %	56.3 %
Other operating expenses	32.0 %	33.2 %
Exceptional Items	0.4 %	6.7 %
EBIT	11.1 %	3.6 %
Depreciation	3.6 %	3.7 %
EBITDA	14.7 %	7.4 %

Staff Costs

	2002	2001	Change
Staff Costs/revenue	56.5%	56.3%	+0.2 pts
Staff Costs (€million)	1,124	1,263	-11.0%
Average headcount	18,866	20,373	-7.4%

Headcount

Average Headcount 2001	20,373
Acquisitions	188
Businesses Sold or Closed	(370)
Redundancies & Departures	(1,325)

Average Headcount 2002	18,866
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Other expenses

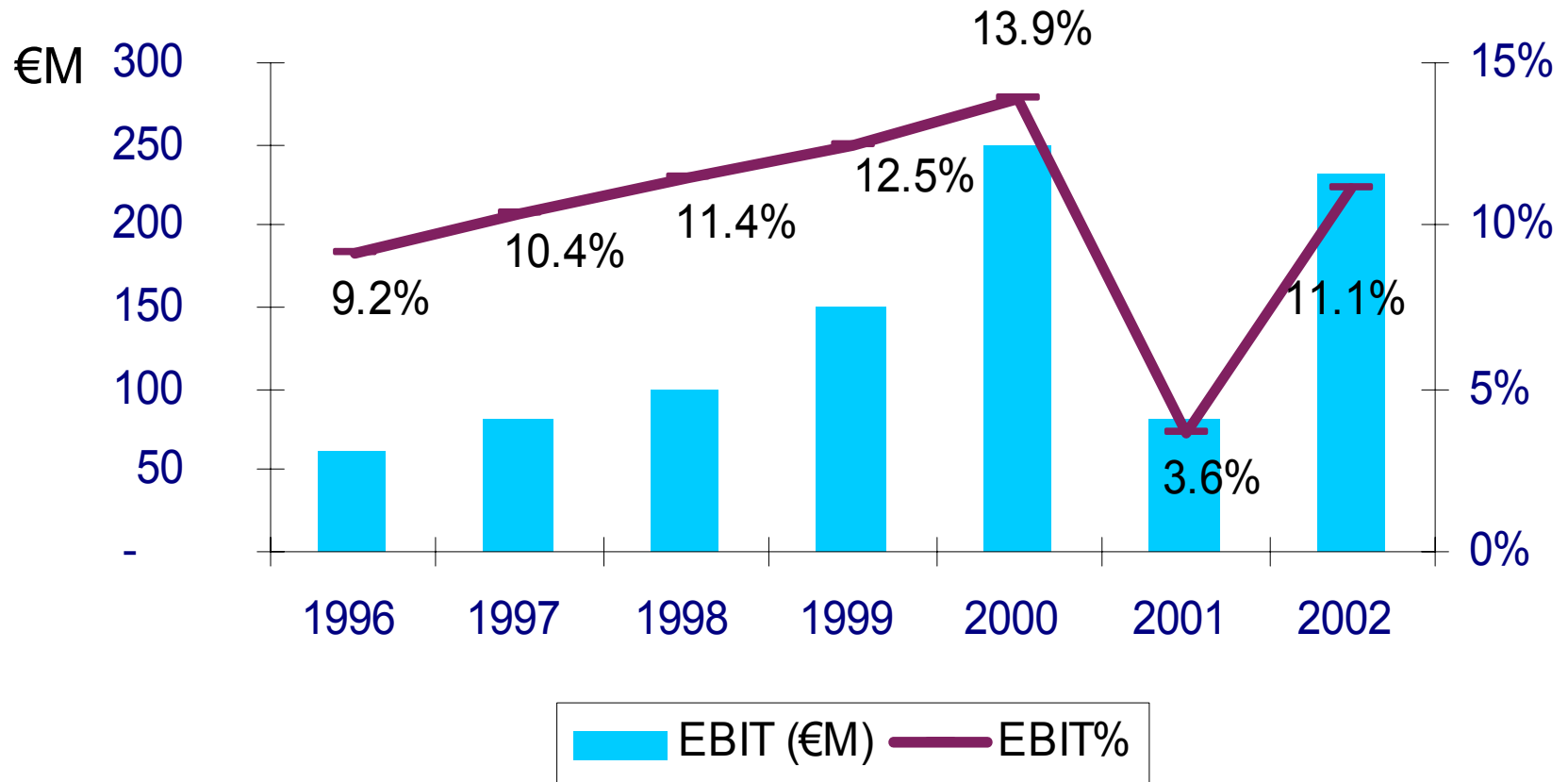
€M	2002	2001	Change
Other operating expenses/revenue	32.0 %	33.2 %	-1.2 pts
Other operating expenses (€million)	635	744	-14.8 %
Of which : Rents + charges	149	171	-12.9 %
Depreciation	72	84	-14.3 %

Exceptional items 2002

€M	2002
Redundancies & property provisions	(12)
Gains on disposals	10
Gain on buy-back of convertibles	5
Others	(1)
WorldCom Reserve	(11)
TOTAL	(9)

History of operating profitability

EBIT Evolution



2002 – Net Income (Group Share)

€M	2002	2001
NET INCOME (before goodwill)	94.6	11.2
Goodwill	(71.2)	(68.9)
NET INCOME	23.5	(57.8)

**CASH FLOW STATEMENT
AND
BALANCE SHEET AS AT
31.12.2002**

2002 Evolution of net debt

€M	2002	2001
Opening net debt	(703)	(408)
Net free-cashflow	54	(289)
FX	(10)	(6)
Others	(5)	—
Closing net debt	(664)	(703)

2002 – Structure of Net Debt

€M	2002	2001	conversion price €
Convertible bond 99 - maturity 01/01/04	(85)	(85)	9.22
Convertible bond 00 - maturity 01/01/06	(680)	(709)	21.18
Convertible bond 02 - maturity 01/01/09 *	(450)	0	10.54
TOTAL CONVERTIBLE BONDS	(1,215)	(794)	
Bank facilities	(119)	(164)	
Other financial debt	(57)	(61)	
Overdrafts	(68)	(151)	
GROSS DEBT	(1,460)	(1,169)	
Cash & Cash-Equivalents	795	466	
NET DEBT	(665)	(703)	

* : put on 01/01/06

Undrawn available credit lines at 31/12/02: € 191 m

Ratio Net Debt/EBITDA - 2002 (estimated)

HAVAS	2.3
PUBLICIS	2.2
WPP	1.6
INTERPUBLIC	3.4
OMNICOM	1.1

Source : BNP Paribas /Companies

Simplified Balance Sheet as at 31 December 2002

€M	31/12/2002	31/12/2001		31/12/2002	31/12/2001
ASSETS			LIABILITIES		
Goodwill	1,893	1,940	Capital Account		
Fixed Assets			Shareholders' funds	1,165	1,382
Tangible & Intangible	255	314	Minority interests	32	60
Financial	26	27	Total	1,197	1,442
Working Capital	(245)	(180)	Provisions	158	178
Deferred tax assets	200	246	Net Debt	664	703
			Debts re fixed assets	110	23
	2,129	2,346		2,129	2,346

Earn-out / Buy-out

€M	31/12/2002	31/12/2001
Earn-out	103	106
Buy-out	109	160
TOTAL ESTIMATED COMMITMENT	212	266

US GAAP figures

Earn-out / Buy-out Reconciliation 2002 estimates

€M	Total
Total estimated commitments 31/12/01	266
Paid out in 2002	(72)
△ on 2002 payment estimates	(21)
Acquisitions in 2002	15
Adjustments to prior evaluations	24
Total estimated commitments 31/12/02	212

US GAAP figures

Earn-out + Buy-out maturity profile

€M	2002	2003	2004	2005	2006	2007	Total
Commitments							
Estimated as at 31/12/01	93	59	49	46	19		266
Estimated as at 31/12/02		64	73	50	13	12	212

US GAAP figures

Objectives :

- Realignment the Group's pay-out ratio with the industry average
- Increase financial flexibility in a volatile environment.
- Develop a broader plan to address HAVAS' 2006 refinancing risk, including:
 - improved margin expansion
 - improved working capital management
 - reduction of capex and investments

Dividend

Cents	2000	2001	2002 ¹
■ Net dividend	17	17	9
■ Gross dividend	25.5	25.5	13.5
■ Pay-out ratio ²	28 %	45 % ³	28%
■ Gross yield ⁴	1.7 %	3.1 %	3.6%

¹ to be approved by the Shareholders meeting on May 21, 2003

² Net dividend / net income before goodwill

³ Net dividend / net income before goodwill and exceptional items

⁴ based on share price at 31/12.

APPENDIX

Cash earnings per share 2002

		NUMBER OF SHARES @31/12/02	NUMBER OF SHARES (AVERAGE)	NET INCOME before goodwill €M	EPS €
Issued	SHARES IN ISSUE	305,219,028	304,625,507		
	TREASURY STOCK:	(9,629,547)	(9,867,763)		
BASIC		295,589,481	294,757,744	94.6	0.32
Potential	CONVERTIBLE BOND 1999	9,261,947	9,181,927	9.2	
	CONVERTIBLE BOND 2000	32,104,465	0		
	CONVERTIBLE BOND 2002	42,697,674	26,157,630		
	STOCK OPTIONS	11,935,881	2,516,695		
FULLY DILUTED		391,589,448	332,613,996	103.8	0.31

Organic Growth calculation

	€M	
1. 2001 REPORTED REVENUE	2,241	
2. FX impact	(88)	
3. 2001 restated at 2002 FX rates	<u>2,153</u>	
4. Impact of companies sold or closed	(52)	
5. Impact of changes in method	(46)	
6. Impact of acquisitions	55	
7. 2001 REVENUES at constant currency and scope	<u>2,110</u>	100.0%
8. REPORTED REVENUE 2002	<u><u>1,987</u></u>	
9. ORGANIC REVENUE CHANGE	(123)	-5.8%

IIAVAS
IIAVAS