



Financial Meeting

1st Half Results 2006

September 28, 2006

Introductory Matters

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:

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 translate 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.

Average Net debt (quarterly or annually) is calculated for the main 4 countries (France, USA, UK and Spain), as the difference between structured gross debt (oceanes, credit lines, etc...) and treasury in bank measured on a daily basis; concerning the other countries, the average net debt is the debt accounted as of each quarter.

Key figures

1st Half 2006

1st Half 2006 – Key figures

- H1 2006 Revenue : **719 M€** in increase of **+2,8%** versus H1 2005
- Organic growth stable over H1 : **+2.5%** in 2nd quarter 2006 after **-2.4%** in 1st quarter 2006, and **+0.2%** in the H1 2006
- Income from operations of **64 M€** in H1 2006, i.e an « income from operations » margin of **8.9%** in H1 2006, versus 11.2% in H1 2005
- Operating income of **56 M€** in H1 2006 versus 75 M€ in H1 2005, i.e an operating margin of **7.7%** in H1 2006 versus 10.8% in H1 2005
- Net financial result of **-19 M€** in H1 2006 versus -22 M€ in H1 2005
- Net income groupe share of **21 M€** in H1 2006 versus 34 M€ in H1 2005
- Earnings per share diluted and basic of **0.05 €** in H1 2006 versus 0,08 € in H1 2005
- Net financial debt of **648 M€** as of June 30, 2006 versus 417 M€ as of December 31, 2005, however average net debt of H1 2006 lower to the one of H1 2005 and H2 2005.

Analysis of 1st Half 2006 results

1st Half 2006 – Income Statement

In €M	H1 2006	H1 2005	Variance
Revenue	719	700	+2.8%
Compensation	(452)	(431)	
Other operating expenses and income	(203)	(191)	
Income from operations	64	78	(18.1%)
Other operating items	(8)	(3)	
Operating income	56	75	(26.1%)
<i>Net financial expense</i>	<i>(19)</i>	<i>(22)</i>	
Income of fully consolidated companies before taxes	37	53	
Income tax expense	(12)	(16)	
Net income of fully consolidated companies	25	37	
Share of losses of associates	(1)	0	
Net income	24	37	(35.6%)
<i>Minority interests</i>	<i>(3)</i>	<i>(3)</i>	
Net income, Group share	21	34	(39.1%)

Earnings per share (in €)	1st Half 2006	1st Half 2005	Variance
Basic	0.05	0.08	
Diluted	0.05	0.08	(39.8%)

1st Half 2006 – Revenue evolution

1st Half 2006 - Detailed calculation of Organic growth

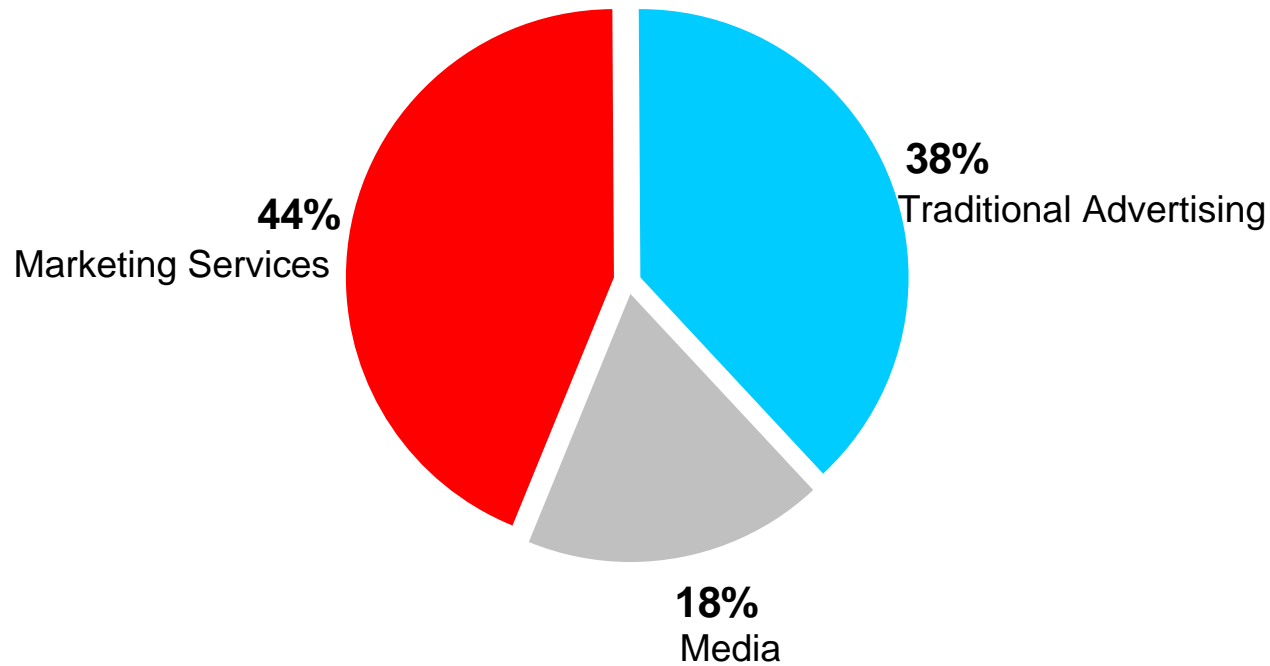
	in €M
Reported Revenue in H1 2005	700
Exchange rate impact	+16
<hr/>	
H1 2005 revenue after H1 2006 exchange rate impact	716
Scope variations : Acquisitions, disposals, closure of companies and other	+2
<hr/>	
H1 2005 revenue at H1 2006 scope and exchange rate	718
Reported Revenue in H1 2006	719
Organic revenue evolution	+0.2%

Revenue by quarter from 2004 to Q2 2006

in €M (historical rate)	2004	%	2005	%	2006	%
Quarter 1	357	(11,2%)	330	(7,6%)	339	+2,7%
Quarter 2	391	(9,9%)	370	(5,4%)	380	+2,7%
Quarter 3	338	(9,6%)	341	+0,9%		
Quarter 4	405	(6,9%)	420	+3,7%		
Full Year	1 491	(9,4%)	1 461	(2,0%)	719	

gross data and variances

1st Half 2006 – Revenue split by activity



1st Half 2006 - Net New Business evolution

The H1 2006 Net New Business⁽¹⁾ (excluding the gains of Reckitt Benckiser by Euro RSCG Worldwide and Progressive Direct by Arnold US) is €900 M, of which ExxonMobil, Lee Jeans, Veolia, Disney Resort Paris...

This H1 2006 Net New Business has increased significantly versus the H1 2005 and 2004.

in €M (historical rate)	Net New Business (1)	
H1 2004	765	
H1 2005	500	
H1 2006	900	+80,0% versus H1 2005 +17,6% versus H1 2004

(1) « Net New Business » definition in page 2 – Non audited figures

1st Half 2006 – Operating margins

In € Million	H1 2006	H1 2005	Variance
Revenue	719	700	+2.8%
Organic growth	0.2%	2.2%	
Income from operations	64	78	(18.1%)
Income from operations margin (in %)	8.9%	11.2%	
Other operating items	(8)	(3)	
Operating income	56	75	(26.1%)
Operating margin (in %)	7.7%	10.8%	

1st Half 2006 – Income from operations

In € Million	H1 2006	H1 2005	Variance
Revenue	719	700	+2.8%
Compensation (excluding stock options)	(449)	(427)	+5.0%
	(62.4%)	(61.1%)	
Other operating expenses and income	(184)	(172)	+7.9%
	(25,6%)	(24,6%)	
Fixed assets amortization and depreciation	(19)	(19)	
	(2.6%)	(2.7%)	
Stock-Option charges	(3)	(4)	
	(0.4%)	(0.6%)	
Income from operations	64	78	(18.1%)
Income from operations margin (in %)	8.9%	11.2%	

1st Half 2006 – Operating income

In € Million	H1 2006	H1 2005	Variance
Income from operations	64	78	(14)
Goodwill impairment charge	(8)	(3)	(5)
Capital gains (losses) on disposal of assets		10	(10)
Costs related to the departure of former Chairman and CEO		(10)	10
Total other operating items	(8)	(3)	(5)
Operating income	56	75	(20)
Operating margin (in %)	7.7%	10.8%	

1st Half 2006 – Net Financial Result

In € Million	H1 2006	H1 2005	Variance
Interest income	6	9	(3)
Cost of debt	(24)	(29)	5
<i>of which OCEANE's</i>	<i>(15)</i>	<i>(21)</i>	<i>6</i>
Other financial expenses	(1)	(2)	1
Net financial expense	(19)	(22)	3

1st Half 2006 – Income tax expense

In € Million	H1 2006	H1 2005
Income of fully consolidated companies	37	53
Income tax expense	(12)	(16)
Effective tax rate	33%	31%

Financial Structure

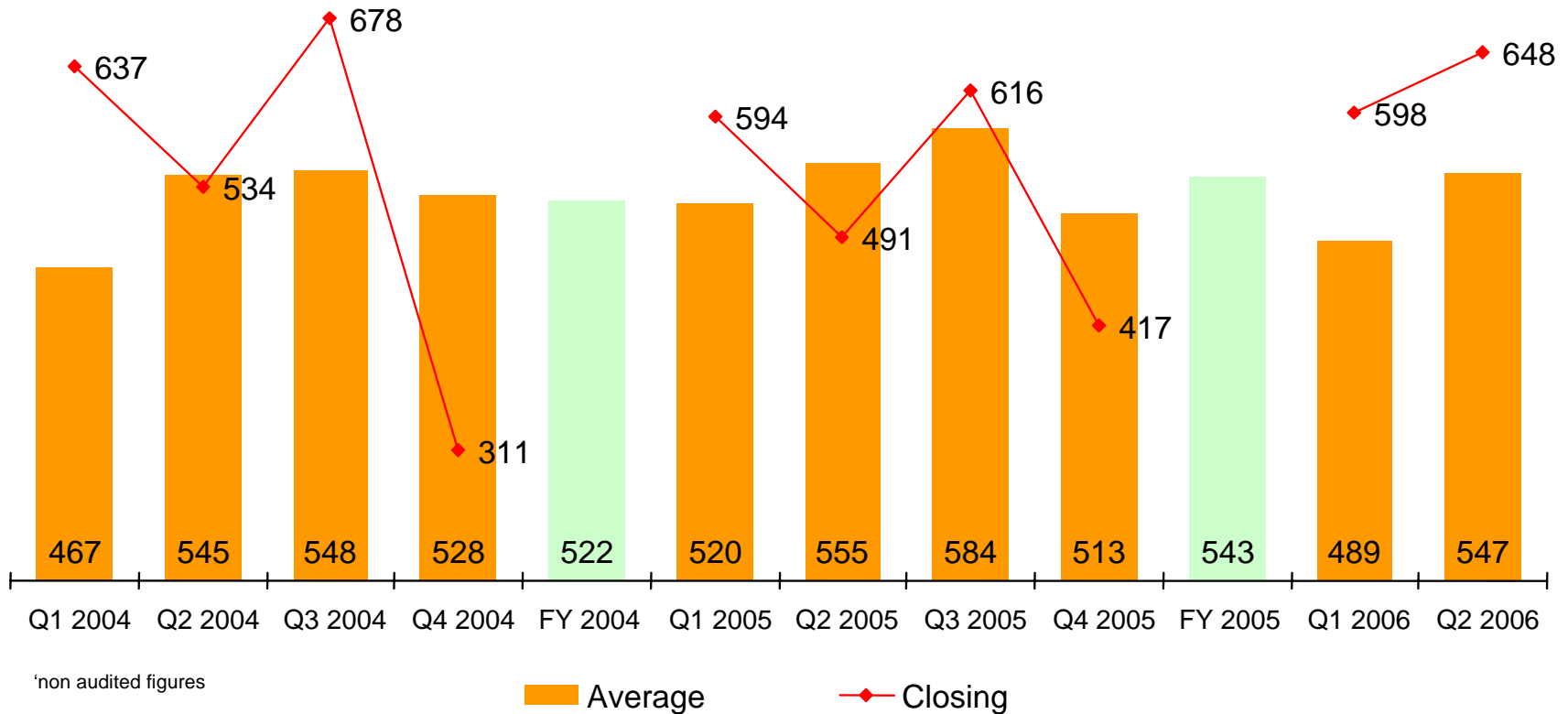
As of 30/06/2006

Simplified Balance Sheet as of 30/06/2006

In €M

Assets	30/06/06	31/12/05	Liabilities	30/06/06	31/12/05
Goodwill	1 409	1 450	Total equity	901	925
Other fixed assets	168	183	Provisions	118	138
Net deferred tax	127	125	Net financial debt	648	417
WCR	(37)	(278)			
Total	1 667	1 480	Total	1 667	1 480

1st Half 2006 – Average Net Debt (M€)



NB : - Cf definition of « average net debt » in page 2

- 2004 proforma figures adjusted to reflect the full year impact of capital increase (388 M€) in October 2004.

New Business Creative awards

Net New Business

Net New Business (1) H1 2006 = 900 millions €

Main budgets won during H1 2006 :

Advertising :

Disneyland Resort Paris (France, Spain, UK, Belgium, Germany, Italy, and Scandinavia) ;
ExxonMobil, Lee Jeans, USA Today, Culligan Water, Assurant Health, Barilla, Cabot Wood Stain, and Bombay (USA) ;
Veolia and Cogedim (France) ;
INNEOV (L'Oréal) (France and Belgium) ;
News Magazine (UK) ;
Granini (Spain) ;
LG Electronics (Russia) ;
The Austrian Post (Austria) ;
IKEA (Czech Republic) ;
Thomapyrin de Boehringer Ingelheim and NTV (Germany) ;
Bongrain and Brendon Babystore (Hungary) ; **Inci** (Turkey) ;
Tourism Western Australia and Hutchison Telecom (Australia) ;
Radio Mitre (Argentina) ;
Telmex (Mexico) ;
TVB Pay Vision (Honk Kong)

(1) Définition du « New Business Net » en page 2

Net New Business

Media:

Veolia Environnement (Pan-European) ;
ExxonMobil and Celebrity Cruises (USA) ;
GoodYear Dunlop (France, Spain, Italy, Portugal, Greece, Belgium, The Netherlands and Luxembourg) ;
Masterfoods, PACA,
Sarbec, les hôtels Formule 1 du Groupe Accor Point S, Gerblé and Umbro (France) ;
Eidos (UK, France and Germany) ;
De Agostini, Hotel.com and Garlik (UK) ;
Agencia Tributaria, Guia Campsa, Fnac, Viajar.com, Ayuntamiento de La Coruna, Fagor, Mango, Osborne, Union Crediticia Inmobiliaria, Gennoma Lab and la Caixa (Spain) ;
La Redoute and BAW International (Portugal) ;
Dialog (Poland) ;
La Costeña, Sanborns and the brands Chivas Regal, Martell, Stolichnaya, Presidente and Don Pedro de Pernod Ricard / Casa Pedro Domecq (Mexico) ;
webmotors (Brazil) ;
Le Ministère de la Santé and le Ministère de la Citoyenneté et de l'Immigration (Canada)

Marketing services :

Sixt (Pan-European),
Marriott Hotels, Bausch & Lomb and Concern Worldwide (UK),
Iveco and Seb (Spain),
Hôtel Sheraton (Mexico)

Corporate: **Orange** (BtoB) worldwide ; **Groupe Caisse d'Epargne** (France)

A confirmed creative reputation :



- At the **53rd Cannes International Advertising Festival**, the Havas Group carried off 19 Lions including three Gold Lions: one in the film category for "La Marche de l'Empereur" (The March of the Emperor) made by BETC Euro RSCG for Canal+, another in the cyber category to Euro RSCG 4D Sao Paulo for its "Oops" campaign for Reckitt Benckiser and the third to Havas Sports in the media category for the design and organization of a one-day event on the Champs Elysées entitled "Embracing the Olympic Spirit" in support of the Paris 2012 Olympic bid. Other agencies awarded included Arnold Boston, McKinney & Silver, EHS Brann, Euro RSGG 4D Amsterdam and Euro RSCG Amsterdam, Euro RSCG Buenos Aires, Euro RSCG Vale and Euro RSCG 4D in France.
- For the very first time, a French interactive production company (Streampower / MPG) received the prestigious Emmy award for "Best interactive TV program of the year" for its co-production of "CULT" alongside PPROD for TV channel France 5.
- Euro RSCG Buenos Aires, Euro RSCG 4D Sao Paulo, Euro RSCG Vale, Carillo Pastore Euro RSCG and Euro RSCG in Colombia received nine awards at the Festival Iberoamericano de la Publicidad.
- At the International Andy Awards, Arnold Boston, McKinney & Silver, Euro RSCG Flagship and Euro RSCG London all took awards for creativity.

Creative awards

- In Spain, MPG won the Grand Prix at the Festival del Sol plus a Gold Prize for its media campaign "Revolucion Sin Limites" for Nike. Euro RSCG 4D in Spain won awards for its promotional marketing campaigns for Vodafone and Spanair.
- BETC Euro RSCG once again distinguished itself in recent months with the "Marche de l'Empereur" campaign for Canal +. In France, the agency took the top prize for an advertising campaign awarded by the Grand Prix des Medias organized by CB News magazine, and the Stratégies magazine Grand Prix for advertising. In the USA, BETC Euro RSCG was honored by the Clio Awards, the New York Art Directors Club and the AICP.
- The "Fair Enough" campaign created for American Legacy by Arnold Boston took a number of US awards at events including the International Andy Awards, The One Show, the Clio Awards, the New York Art Directors Club, the AICP and the Kelly Awards.
- The CyberWon Report, the interactive world's version of the Gunn Report, ranked the Euro RSCG network 4th worldwide.
- MPG in Spain was voted Media Agency of the Year by Spanish advertising magazine *Anuncios*

New communications pole in France / Scher Lafarge acquisition

- Havas has concluded an agreement with Gilbert Scher and Christophe Lafarge in order to proceed with the acquisition of the advertising agency Scher Lafarge.
- Its goal, among others, is to contribute to the development of Citroën, a historic account of the Havas Group, in France and internationally.
- Furthermore, Gilbert Scher, Christophe Lafarge, Benoit Devarrieux and Jean-Pierre Villaret have expressed a common interest to bring together their two entities in order to develop together a new communications agency in France.
- Other independent agencies are likely to join this new pole by the end of 2006.

Optimization of the international organization

A global integrated communications network covering all the disciplines :



A worldwide network of media expertise:



From now on, AWP will focus on its North American market and clients (USA and Canada). European entities linked to Arnold will join Euro RSCG and MPG networks by the end of 2006.

Havas : Delisting from NASDAQ and deregistration request at the SEC

- Havas announced on June 21st its decision to proceed with the delisting of its American depositary shares on the NASDAQ market and to end its American Depositary Receipt programme.
- The NASDAQ delisting is effective since 07/07/2006.
- End of the ADR programme starting from 28/09/2006.
- Deregistration at the SEC to be requested soon.
- EURONEXT Paris listing remains unchanged.

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