

**Condensed consolidated financial statements  
for the interim period ended June 30, 2009**

1. Consolidated balance sheet .....	2
2. Consolidated income statement – Statement of comprehensive income.....	4
3. Consolidated statement of changes in shareholders' equity.....	5
4. Consolidated statement of cash flows .....	6
5. Notes to the consolidated financial statements.....	7
5.1. Accounting principles.....	7
5.1.1. Information related to HAVAS Group.....	7
5.1.2. Preparation of the consolidated financial statements.....	7
5.1.3. Statement of compliance, accounting methods and principles .....	7
5.1.4. New standards applicable in 2009 .....	7
5.1.5. Estimates .....	8
5.2. Notes to the consolidated balance sheet and income statement.....	9
5.2.1. Scope of consolidation.....	9
5.2.2. Goodwill .....	9
5.2.3. Net cash and cash equivalents .....	10
5.2.4. Financial debt .....	10
5.2.5. Provisions .....	13
5.2.6. Accounting for employee stock option plans.....	14
5.2.7. Callable subscription and/or acquisition warrants (BSAARs).....	15
5.2.8. Income tax expense.....	15
5.2.9. Compensation.....	16
5.2.10. Other expenses and income from operations .....	16
5.2.11. Other operating expenses and income .....	17
5.2.12. Operating segments .....	17
5.2.13. Net financial expense.....	19
5.2.14. Earnings per share .....	19
5.2.15. Related party transactions .....	20
5.2.16. Contractual and off balance sheet commitments .....	20
5.2.17. Events after the reporting period.....	20

## 1. Consolidated balance sheet

For the period ended June 30, 2009

ASSETS (in euro million)	Notes	06.30.09 Net	12.31.08 Net
<b>Non-current assets</b>			
Goodwill	5.2.2	1 419	1 411
Other intangible assets		28	26
Property and equipment		87	93
Investments in associates		3	2
Financial assets available for sale		10	8
Deferred tax assets		102	94
Other non-current financial assets		12	14
<b>Total non-current assets</b>		<b>1 661</b>	<b>1 648</b>
<b>Current assets</b>			
Inventories and work in progress		41	43
Accounts receivable		1 153	1 250
Current tax receivables		21	39
Other receivables		545	581
Other current financial assets		35	36
Cash and cash equivalents	5.2.3	299	912
<b>Total current assets</b>		<b>2 094</b>	<b>2 861</b>
<b>TOTAL ASSETS</b>		<b>3 755</b>	<b>4 509</b>

EQUITY AND LIABILITIES (in euro million)	Notes	06.30.09 Net	12.31.08 Net
<b>Equity attributable to equity holders of the parent</b>		<b>1 040</b>	<b>1 013</b>
Issued capital		172	172
Share premium		1 466	1 466
Option components of compound instruments		206	206
Retained earnings		(724)	(750)
Currency translation adjustments		(80)	(81)
<b>Minority interests</b>		<b>2</b>	<b>2</b>
<b>Total equity</b>	<b>3</b>	<b>1 042</b>	<b>1 015</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5.2.4	355	353
Earn-out and minority interest buy-out obligations	5.2.4	39	46
Long-term provisions, pension and post-employment benefits	5.2.5	52	63
Deferred tax liabilities		1	1
Other non-current liabilities		2	3
<b>Total non-current liabilities</b>		<b>449</b>	<b>466</b>
<b>Current liabilities</b>			
Current maturities of borrowings	5.2.4	40	539
Bank overdrafts	5.2.3 - 5.2.4	29	34
Earn-out and minority interest buy-out obligations	5.2.4	15	19
Provisions	5.2.5	35	38
Accounts payable		1 060	1 160
Tax payables		38	40
Other payables		1 000	1 146
Other current liabilities		47	52
<b>Total current liabilities</b>		<b>2 264</b>	<b>3 028</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3 755</b>	<b>4 509</b>

## 2. Consolidated income statement – Statement of comprehensive income

For the period ended June 30, 2009

(in euro million)	Notes	1st Half 2009	1st Half 2008	Full year 2008
<b>Revenue</b>	5.2.12	<b>700</b>	<b>755</b>	<b>1 568</b>
Compensation	5.2.9	(447)	(475)	(975)
Other expenses and income from operations	5.2.10	(182)	(198)	(405)
<b>Income from operations</b>	5.2.12	<b>71</b>	<b>82</b>	<b>188</b>
Other operating expenses	5.2.11 - 5.2.12	(9)		(8)
Other operating income	5.2.11 - 5.2.12	1	9	9
<b>Operating income</b>		<b>63</b>	<b>91</b>	<b>189</b>
Interest income		5	17	37
Cost of debt		(13)	(35)	(70)
Other financial expenses net of income			(1)	
<b>Net financial expense</b>	5.2.13	<b>(8)</b>	<b>(19)</b>	<b>(33)</b>
<b>Income of fully consolidated companies before tax</b>		<b>55</b>	<b>72</b>	<b>156</b>
Income tax expense	5.2.8	(14)	(20)	(44)
<b>Net income of fully consolidated companies</b>		<b>41</b>	<b>52</b>	<b>112</b>
Share of profit (loss) of associates				
<b>Net income</b>		<b>41</b>	<b>52</b>	<b>112</b>
Minority interests		(1)	(3)	(8)
<b>Net income attributable to equity holders of the parent</b>		<b>40</b>	<b>49</b>	<b>104</b>
<b>Earnings per share (in euro)</b>				
	5.2.14			
<b>Basic and diluted</b>		<b>0,09</b>	<b>0,11</b>	<b>0,24</b>
<b>(in euro million)</b>				
<b>Net income</b>		<b>41</b>	<b>52</b>	<b>112</b>
Net income accounted for against goodwill (1)		(1)	(3)	(8)
Actuarial gains and (losses) recognized in equity (2)		3	3	(1)
Deferred tax related to actuarial gains and losses			(1)	
Changes in the fair value of financial assets available for sale		1	(1)	(3)
Net gains (losses) on cash flow hedges		(4)	5	(16)
Stock options (3)		4	(34)	(28)
Currency translation adjustments relating to foreign operations (4)		1	(30)	(5)
<b>Total comprehensive income</b>		<b>45</b>	<b>(9)</b>	<b>51</b>
Attributable to:				
- Equity holders of the parent		45	(9)	51
- Minority interests		0	0	0

- (1) Share in net income of minority interests which are under buy-out commitment undertaken by the Group.
- (2) In compliance with Amendment to IAS 19, actuarial gains of €3.3 million net of tax were recognized in equity in the first half of 2009 compared to a net gain of €2.6 million in the first half of 2008. As at December 31, 2008, HAVAS recognized actuarial losses of €1.5 million net of tax.
- (3) A stock option plan for a consolidated subsidiary which was planned, at inception, to be settled in HAVAS SA shares was accounted for as an equity settled plan, in compliance with IFRS 2. In the end, this plan will be settled in cash. The impact on equity as at December 31, 2008 amounted to €-37.9 million. From that date onwards, any change will be recognized as compensation in the income statement.

Stock-option charges in the first half of 2009 were mainly related to plans to be settled in HAVAS SA shares.

- (4) In the first half of 2009, net currency translation adjustments were not significant. The cumulative decrease effect of the US dollar of €-7.5 million and the Canadian dollar of €-2.4 millions were balanced by the British pound increase impact of €9.3 million.

In the first half of 2008, the currency translation adjustments were mainly due to the decline of the US dollar against the Euro for €-23.7 million.

In 2008, currency translation adjustments were not material. The decrease in the value of the British pound had an impact on Group equity of €-23.7 millions which was balanced by the increase effect of the US dollar of €24.3 million.

### 3. Consolidated statement of changes in shareholders' equity

For the period ended June 30, 2009

(in euro million)	Number of shares issued in thousands	Equity holders of the parent								Minority interests	Total Equity
		Issued capital (1)	Share premium	Retained earnings and net income	Option components of compound instruments	Changes in fair value of financial instruments	Actuarial gains and (losses)	Currency translation adjustments	Total		
<b>Shareholders' equity as at January 1, 2008</b>	<b>429 850</b>	<b>172</b>	<b>1 466</b>	<b>(788)</b>	<b>202</b>	<b>7</b>	<b>(7)</b>	<b>(76)</b>	<b>976</b>	<b>2</b>	<b>978</b>
Dividends distributed (2)				(17)					(17)		(17)
Stock options	19			(29)					(29)		(29)
OB SAAR					4				4		4
Net income				49					49		49
Other recognized income and expenses						4	2	(30)	(24)		(24)
<b>Shareholders' equity as at June 30, 2008</b>	<b>429 869</b>	<b>172</b>	<b>1 466</b>	<b>(785)</b>	<b>206</b>	<b>11</b>	<b>(5)</b>	<b>(106)</b>	<b>959</b>	<b>2</b>	<b>961</b>
<b>Shareholders' equity as at January 1, 2009</b>	<b>429 869</b>	<b>172</b>	<b>1 466</b>	<b>(730)</b>	<b>206</b>	<b>(12)</b>	<b>(8)</b>	<b>(81)</b>	<b>1 013</b>	<b>2</b>	<b>1 015</b>
Dividends distributed (2)				(17)					(17)		(17)
Stock options				4					4		4
OB SAAR				(1)					(1)		(1)
Net income				40					40		40
Other recognized income and expenses						(3)	3	1	1		1
<b>Shareholders' equity as at June 30, 2009</b>	<b>429 869</b>	<b>172</b>	<b>1 466</b>	<b>(704)</b>	<b>206</b>	<b>(15)</b>	<b>(5)</b>	<b>(80)</b>	<b>1 040</b>	<b>2</b>	<b>1 042</b>

(1) The nominal value of each ordinary share is €0.4.

(2) The HAVAS SA dividend per share paid on both June 10, 2009 and June 5, 2008 was €0.04.

## 4. Consolidated statement of cash flows

For the period ended June 30, 2009

(in euro million)	1st Half 2009	1st Half 2008	Full year 2008
<b>OPERATING ACTIVITIES</b>			
Consolidated net income attributable to:			
Equity holders of the parent	40	49	104
Minority interests	1	3	8
Elimination of non-cash items:			
Amortization, depreciation and impairment	5	5	31
Changes in deferred taxes	(8)	(14)	12
(Gains) / losses on disposal of fixed assets	1	(8)	(1)
Stock-based compensation - Equity settled plans	4	5	10
Accrued interest charges		8	15
Net cost of debt	7	9	19
Other operations	1	5	1
Changes in accounts receivable	109	18	156
Changes in accounts payable	(123)	(4)	(87)
Changes in advances from clients	(2)	13	3
Changes in other receivables and payables	(95)	(113)	40
<b>Net cash provided (used in) by operating activities</b>	<b>(60)</b>	<b>(24)</b>	<b>311</b>
<b>INVESTING ACTIVITIES</b>			
<b>Purchase of fixed assets</b>	<b>(26)</b>	<b>(67)</b>	<b>(109)</b>
Intangible and tangible	(14)	(20)	(46)
Subsidiaries	(10)	(35)	(47)
Loans granted	(2)	(12)	(16)
<b>Proceeds from sale of fixed assets and repayment of loans</b>	<b>3</b>	<b>2</b>	<b>5</b>
Intangible and tangible	1	1	2
Subsidiaries	2		
Repayment of loans granted		1	3
<b>Net cash used in investing activities</b>	<b>(23)</b>	<b>(65)</b>	<b>(104)</b>
<b>FINANCING ACTIVITIES</b>			
Dividends paid to HAVAS SA shareholders	(17)	(17)	(17)
Dividends paid to minority interests	(5)	(3)	(6)
Proceeds from issuance of stock			1
Proceeds from issuance of bonds		98	98
Repayment of convertible bonds	(456)		(11)
Proceeds from borrowings	5	1	45
Repayment of borrowings	(52)	(6)	(9)
Net interest expense paid	(7)	(9)	(19)
<b>Net cash provided (used in) by financing activities</b>	<b>(532)</b>	<b>64</b>	<b>82</b>
Effect of exchange rate changes on net cash	7	(5)	(3)
<b>Net increase (decrease) in net cash</b>	<b>(608)</b>	<b>(30)</b>	<b>286</b>
<b>NET CASH AT OPENING (see note 5.2.3)</b>	<b>878</b>	<b>592</b>	<b>592</b>
<b>NET CASH AT CLOSING (see note 5.2.3)</b>	<b>270</b>	<b>562</b>	<b>878</b>

## 5. Notes to the consolidated financial statements

### 5.1. Accounting principles

#### 5.1.1. Information related to HAVAS Group

HAVAS SA is a public limited company, registered in France, and listed on Euronext. The functional currency of HAVAS SA is the euro. The HAVAS Group's (the «Group» or «HAVAS») consolidated financial statements are presented in millions of euro, unless otherwise indicated.

#### 5.1.2. Preparation of the consolidated financial statements

The preparation of the condensed interim financial statements as at June 30, 2009 is the responsibility of the Board of Directors. These statements were approved by the Board at its meeting on August 31, 2009.

#### 5.1.3. Statement of compliance, accounting methods and principles

Pursuant to European Regulation 1606/2002 of July 19, 2002 on international accounting standards, the condensed consolidated financial statements of the HAVAS Group for the interim period ended June 30, 2009 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union on this date. These standards are available on the following website of the European Union:

[http://ec.europa.eu/internal\\_market/accounting/ias\\_fr.htm#adopted-commission](http://ec.europa.eu/internal_market/accounting/ias_fr.htm#adopted-commission)

Comparative first half of 2008 and 2008 full year consolidated financial statements have also been prepared in accordance with the same accounting principles and rules.

In compliance with IAS 34, these financial statements do not include all the notes as required for an annual report but selected explanatory notes. These financial statements should be read in connection with the Group's financial statements as at December 31, 2008.

#### 5.1.4. New standards applicable in 2009

The application the following standards and amendments is required from January 1, 2009:

- IAS 1 Revised «Presentation of financial statements»,
- IAS 23 Revised «Borrowing costs»,
- IFRS 8 «Operating segments»,
- Amendments to IAS 32 «Financial instruments – puttable instruments and instruments with obligations arising on liquidation» and IAS 1 «Presentation of financial statements», and
- Amendment to IFRS 2 «Vesting conditions and cancellations».

The main additional provision of IAS 1 Revised is the disclosure of a new «Statement of comprehensive income». This statement includes all the income and expenses recognized in the income statement and also the other comprehensive income and expenses. This statement has been disclosed in the Group's financial statements since 2005, as HAVAS has already applied the SORIE option offered by IAS 19.

IAS 23 revised requires from now onwards the capitalization of borrowing costs as part of the cost of an asset if they are directly attributable to the acquisition, construction or production of an asset requiring lengthy preparation prior to being used or sold. This provision has no application to the HAVAS Group's operations.

Standard IFRS 8 replaces IAS 14 «Segment information». The application of this new standard represents a change in accounting method which has had little effect on the presentation of HAVAS Group's financial statements.

According to the amendments to standards IAS 32 and IAS 1, financial instruments issued by an enterprise that have characteristics similar to those of stock shares should be treated as equity instruments, not as liabilities. The application of these amendments did not require HAVAS to change its accounting treatments.

The amendment to IFRS 2 clarifies firstly vesting conditions which are either service conditions or performance conditions, and secondly requires identical accounting treatment for all cancellations irrespective of the party effecting the cancellation.

#### 5.1.5. Estimates

The preparation of the financial statements requires management to make estimates and formulate judgments that affect the amounts of certain assets, liabilities, income and expenses as well as certain disclosures reported in the consolidated financial statements. The actual results could differ slightly from these estimates, depending on changes in assumptions and situations from those considered.

Any events occurring during the first half of the current year and requiring revisions to be made to estimates or assumptions used for the preceding closing are mentioned in the following notes.

## 5.2. Notes to the consolidated balance sheet and income statement

### 5.2.1. Scope of consolidation

No significant change in the scope of consolidation occurred during the first half of 2009. The total number of consolidated companies was 349 at June 30, 2009 compared with 342 at December 31, 2008.

### 5.2.2. Goodwill

The carrying value of goodwill and trademarks is subject to an impairment test carried out at least once per annum and whenever events or circumstances indicate that they may be impaired. Such events or circumstances are tied to significant unfavorable changes on a long-term basis that affect either the economic environment or assumptions and objectives previously used. An impairment charge is required when the recoverable value of tested assets is persistently lower than their carrying value.

The Group has therefore carried out a goodwill impairment test on its cash generating units (CGUs) or groups of CGUs which could be impaired over the first half of 2009. This analysis showed that no impairment was required for the related period.

Changes in goodwill net value during the first half of 2009 and 2008, and 2008 full year are the following:

(in euro million)	1st Half 2009	1st Half 2008	Full year 2008
<b>Value at beginning of period</b>	<b>1 411</b>	<b>1 378</b>	<b>1 378</b>
Acquisitions of companies (1)		39	45
Minority interest buy-out adjustments	(1)		
Earn-out adjustments		2	8
Changes in scope of consolidation (2)		6	6
Impairment charge			(3)
Currency translation adjustments (3)	9	(36)	(23)
<b>Value at end of period</b>	<b>1 419</b>	<b>1 389</b>	<b>1 411</b>

- (1) The acquisitions made during the first half of 2008 were mainly two British agencies BLM Holdings Ltd renamed Arena BLM Holdings Ltd, and Cake Group Limited.
- (2) Changes in scope of consolidation in 2008 resulted from the impact of a change in consolidation method from equity method to full consolidation of an entity for €9.8 million, and of the disposal of two entities for €-4.3 million.
- (3) The positive effect in the first half of 2009 was mainly due to the increase of the British pound against the Euro, whereas the negative impact in the first half of 2008 was mainly due to the decrease of the US dollar against the Euro. The negative impact in 2008 was due to the decline of the British pound against the Euro. This impact was partly offset by the positive effect of the US dollar increase.

### 5.2.3. Net cash and cash equivalents

The net cash and cash equivalents position is the following:

(in euro million)	06.30.09	12.31.08
Cash	252	337
Risk-free short-term financial investments	47	575
<b>Cash and cash equivalents</b>	<b>299</b>	<b>912</b>
Bank overdrafts	(29)	(34)
<b>Net cash and cash equivalents</b>	<b>270</b>	<b>878</b>

As at June 30, 2009, risk-free financial investments were mainly monetary investments. These risk-free investments can be converted into cash at any time. The net cash position decreased significantly due to the repayment of 2002 OCEANE convertible bonds on January 2, 2009.

As at December 31, 2008, risk-free financial investments included monetary investments of €97.8 million, and negotiable certificates of deposit of €477.0 million. These risk-free investments could be converted into cash at any time.

Net cash shown in the consolidated statement of cash flows included cash and cash equivalents net of bank overdrafts.

### 5.2.4. Financial debt

#### 5.2.4.1. Summary of financial debt

(in euro million)	06.30.09	12.31.08
OCEANE		439
OBSAAR	355	353
Bank borrowings	26	70
Other financial debts	15	30
<b>Borrowings and financial debts</b>	<b>396</b>	<b>892</b>
Bank overdrafts	29	34
Earn-out obligations	17	25
Buy-out obligations	36	40
<b>Total financial debt</b>	<b>478</b>	<b>991</b>
Cash and cash equivalents	(299)	(912)
<b>Net debt</b>	<b>179</b>	<b>79</b>

## 5.2.4.2. OCEANE/OBSAAR

### ➤ OCEANE 4% May 2002/January 2009

40,807,693 outstanding bonds as at December 31, 2008 were redeemed at par on January 2, 2009 for a total amount of €456.2 million including a total coupon of €17.5 million.

### ➤ OBSAAR

In December 2006, HAVAS SA entered into a borrowing arrangement for €270.0 million represented by 27,000 bonds with associated callable subscription and/or acquisition warrants (OBSAARs). The bonds will be amortized by equal or approximately equal tranches on December 1, 2011, 2012 and 2013, by redemption. Each bond included 1,555 associated BSAARs immediately detachable. Net proceeds from the issuance of bonds amounted to €267.6 million. The financial debt of the 2006 OBSAAR recorded on the balance sheet amounted to €260.1 million as at June 30, 2009 and €258.8 million as at December 31, 2008.

On February 8, 2008, HAVAS SA entered into another borrowing arrangement for €100.0 million represented by 10,000 bonds with associated callable subscription and/or acquisition warrants. The bonds will be amortized by equal or approximately equal tranches on February 8, 2013, 2014 and 2015, by redemption. Each bond included 1,500 associated BSAARs immediately detachable. Net proceeds from the issuance of bonds amounted to €98.5 million. The financial debt of the 2008 OBSAAR recorded on the balance sheet amounted to €94.8 million as at June 30, 2009 and €94.4 million as at December 31, 2008.

The 2006 and 2008 OBSAARs are subject to financial covenants to be met at each year-end closing as follows:

<b>Financial covenants</b>	<b>2008</b>	<b>After 2008</b>
Adjusted EBITDA / Net Interest Expense	>3.5 : 1	>3.5 : 1
Adjusted Net Debt / Adjusted EBITDA	<3.2 : 1	<3.0 : 1

These financial covenants were met as at December 31, 2008.

The table below summarizes changes in BSAARs during the first half of 2009:

<b>Grant date</b>	<b>BSAAR</b>	
	<b>2008</b>	<b>2006</b>
<b>Number of outstanding BSAARs at December 31, 2008</b>	<b>13 427 792</b>	<b>39 708 016</b>
Repurchase	(50 000)	(1 081 990)
<b>Number of outstanding BSAARs at June 30, 2009</b>	<b>13 377 792</b>	<b>38 626 026</b>

### 5.2.4.3. Bank borrowings

The Group has utilized bank credit lines for a total amount of €25.9 million including mainly €8.0 million in Germany, €6.3 million in Hong Kong and €3.6 million in China. These borrowings have a short-term maturity. They are not subject to financial covenants since HAVAS SA covers any non-repayment.

In December 2007, HAVAS SA entered into three credit line agreements with three leading banks for a maximum total amount of €180 million which will reduce gradually to €160 million at the end of 2010, €110 at the end of 2011, €25 million at the end of 2012 until the maturity date at the end of 2013. The maturity of these credit lines is between five and six years.

In addition, in July 2008, HAVAS SA entered into a four year maturity credit line agreement for €30 million, taking total confirmed credit lines to €210 million.

The applicable interest rate is Euribor + spread for all these credit lines. The spread depends on the "Adjusted Net Debt/Adjusted EBITDA" ratio.

These credit lines are subject to financial covenants identical to those applicable to OBSAARs (see above).

As at June 30, 2009, total available confirmed credit lines amounted to €210.0 million, and total available non-confirmed credit lines in the form of revolving facilities represented €240.8 million.

During the first half of 2009, HAVAS also implemented an issuance program of commercial paper for a maximum total amount of €300.0. As at June 30, 2009, no commercial paper was issued.

Total «Other financial debts» amounted to €15.3 million of which €13.4 million correspond to the fair value of an interest rate swap designed to hedge the 2006 OBSAARs.

## 5.2.4.4. Breakdown by maturity of long-term borrowings and financial debts as at June 30, 2009

(in euro million)	2nd Half							After 2014
	Total	2009	2010	2011	2012	2013	2014	
OBSAAR	355			88	82	120	32	33
Bank borrowings	26	26						
Other financial debts	15	15						
Accrued interest	0							
<b>Total</b>	<b>396</b>	<b>41</b>	<b>0</b>	<b>88</b>	<b>82</b>	<b>120</b>	<b>32</b>	<b>33</b>
Portion due in less than 1 year	(41)	(41)						
<b>Total of long-term borrowings</b>	<b>355</b>		<b>0</b>	<b>88</b>	<b>82</b>	<b>120</b>	<b>32</b>	<b>33</b>

The OBSAAR coupon is paid quarterly.

## 5.2.5. Provisions

The table below summarizes changes in provisions during the first half of 2009:

(in euro million)	Non-current: Long-term provisions, pension and post-employment benefits				Current: Provisions			Total
	Tax risk	Pension and post- employe nt benefits (1)	Vacant premises (2)	Sub-total	Litigations (3)	Other provisions	Sub-total	
<b>December 31, 2008</b>	<b>14</b>	<b>38</b>	<b>11</b>	<b>63</b>	<b>20</b>	<b>18</b>	<b>38</b>	<b>101</b>
Increase in provisions		2	1	3	2		2	5
Reversal of used provisions	(1)	(4)	(3)	(8)	(2)	(2)	(4)	(12)
Reversal of unused provisions	(4)			(4)	(1)	(2)	(3)	(7)
Currency translation adjustments and other	1	(3)		(2)		2	2	0
<b>June 30, 2009</b>	<b>10</b>	<b>33</b>	<b>9</b>	<b>52</b>	<b>19</b>	<b>16</b>	<b>35</b>	<b>87</b>

- (1) In application of Amendment to IAS 19, actuarial gains before tax recognized in equity amounted to €3.2 million as at June 30, 2009 (see Consolidated statement of changes in shareholders' equity). The gains are shown in negative in the «Currency translation adjustments and other» line item of the above table.
- (2) Further to the reorganization of the Group carried out in 2003, vacant premises have been provided for. As at June 30, 2009, the related leases had residual lives of up to 4.5 years.
- (3) The litigation with certain former managers is fully described in note 6.2.30 of the 2008 Annual Report. As at June 30, 2009, the related provisions amounted to €5.6 million.

## 5.2.6. Accounting for employee stock option plans

### ➤ Plans for HAVAS SA shares

The Group has granted options to subscribe for or buy HAVAS SA shares which were entirely vested as at December 31, 2004 and which were not recognized, as allowed by the exemption offered by IFRSs.

The table below summarizes all the operations relating to stock option plans including those granted before November 7, 2002.

	06.30.09		12.31.08	
	Number of options	Weighted unit exercise price in €	Number of options	Weighted unit exercise price in €
<b>Number of outstanding options at beginning of period</b>	<b>37 208 093</b>	<b>4,01</b>	<b>41 936 287</b>	<b>4,75</b>
Exercised	0		(19 007)	2,37
Cancelled	(3 310 831)	6,23	(4 709 187)	10,60
<b>Number of outstanding options at end of period</b>	<b>33 897 262</b>	<b>3,79</b>	<b>37 208 093</b>	<b>4,01</b>
<b>Number of exercisable options at end of period</b>	<b>9 445 262</b>	<b>3,84</b>	<b>12 121 093</b>	<b>4,50</b>

### ➤ Plans for consolidated subsidiaries' shares

On September 29, 2004, the Group granted 104,734 options to subscribe for shares in its subsidiary Euro RSCG SA to 35 managers and employees of Euro RSCG SA Group.

As a result of the departure of four beneficiary employees in 2006 and 2008, the number of outstanding options as at June 30, 2009 amounted to 101,867. The options will be entirely exercisable in September 2009. The beneficiaries undertook to sell to HAVAS SA, and HAVAS SA to buy the Euro RSCG SA shares to be issued when the options are exercised. In the end, this plan will be settled in cash.

In accordance with the mandate given by the Board of Directors to HAVAS' management to negotiate with the beneficiaries of 83,521 options to cap the potential gains earned by the beneficiaries to reasonable payments, HAVAS SA accepted and made a refundable deposit of €24.1 million. This amount was recorded in "Other financial assets".

As at June 30, 2009, the related liability recognized in the balance sheet amounted to €37.5 million.

### 5.2.7. Callable subscription and/or acquisition warrants (BSAARs)

#### ➤ 2006 BSAAR

The BSAARs associated with OBSAARs issued in December 2006 were offered to managers and HAVAS' directors for a unit price of €0.34 which was approved by an independent expert. Nevertheless, this value is different from the option value determined according to IFRS 2. The difference between these two values represents an expense to be allocated as compensation over the vesting period. Related first half of 2009 expense amounted to €0.6 million.

The BSAARs are not transferable prior to November 30, 2010. The BSAAR holders have undertaken to dispose of their BSAARs to HAVAS SA for their purchase price whenever they leave the Group prior to the date when the BSAARs become exercisable.

The BSAARs will become exercisable at any time from December 1, 2010. This date will correspond to the date of the BSAARs' admission on the Eurolist of Euronext Paris SA stock market, until December 1, 2013. Each BSAAR will give the right to subscribe or buy a HAVAS SA share for a unit price of €4.30.

#### ➤ 2008 BSAAR

The BSAARs associated with OBSAARs issued in February 2008 are similar to those associated with the 2006 OBSAARs both in implementation procedure and accounting method. The unit price of each BSAAR is €0.34. The difference between the option value and the BSAAR price also represents an expense to be allocated as compensation over the vesting period. Related first half of 2009 expense amounted to €0.2 million.

The BSAARs are not transferable prior to the date of their admission on the Eurolist of Euronext Paris SA stock market expected on February 8, 2012. The BSAARs will become exercisable at any time from that date until the 7<sup>th</sup> anniversary of their issuance. Each BSAAR will give the right to subscribe or buy a HAVAS SA share for a unit price of €3.85.

### 5.2.8. Income tax expense

<b>(in euro million)</b>	<b>1st Half 2009</b>	<b>1st Half 2008</b>
Income of fully consolidated companies before tax	55	72
Income tax expense	(14)	(20)
<b>Actual income tax rate</b>	<b>26%</b>	<b>28%</b>

### 5.2.9. Compensation

(in euro million)	1st Half 2009	1st Half 2008
Personnel costs	(444)	(472)
Equity-settled stock option expense	(4)	(5)
Adjustments of cash-settled stock options	1	2
<b>Total</b>	<b>(447)</b>	<b>(475)</b>

The cash-settled stock option plan liability was recognized on the balance sheet for €38.8 million as at June 30, 2009 and €39.2 million as at December 31, 2008.

### 5.2.10. Other expenses and income from operations

(in euro million)	1st Half 2009	1st Half 2008
<b>Expenses</b>	<b>(188)</b>	<b>(204)</b>
Amortization and depreciation	(19)	(17)
Other expenses	(169)	(187)
<b>Income</b>	<b>6</b>	<b>6</b>
Other income	6	6
<b>Total</b>	<b>(182)</b>	<b>(198)</b>

### 5.2.11. Other operating expenses and income

(in euro million)	1st Half 2009	1st Half 2008
<b>Other operating expenses</b>	<b>(9)</b>	<b>0</b>
Restructuring	(9)	
<b>Other operating income</b>	<b>1</b>	<b>9</b>
Net capital gains on disposal of fixed assets	1	9
<b>Total</b>	<b>(8)</b>	<b>9</b>

In the first half of 2009, unusual significant amounts were recognized in «Other operating expenses» to reflect more finely the performance of HAVAS' operations.

In the first half of 2008, «Other operating income» mainly resulted from €8.8 million of capital gains on the disposal of Mc Kinney, an American agency.

### 5.2.12. Operating segments

All Group businesses present identical characteristics and complement each other. They are run on the same economic model. For several years, the Group has organized its operating units with a view to offering each client a global communication consulting services including traditional advertising, media space buying and digital.

Internal reporting presents an analysis by geographic zone that encompasses all the different activities within the zone and provides for comparability over time. The operating scope of activities is adjusted to changes in management and expected synergies.

The application of IFRS 8 «Operating segments» did not produce significant effect on the consolidated accounts of HAVAS Group. The condensed consolidated financial statements for comparative periods have not been affected by the retrospective application.

## ➤ 1<sup>st</sup> Half 2009

(in € million)	France	Europe	United-Kingdom	North America	Other	Eliminations	Total
<b>Consolidated income statement line items</b>							
<b>Revenue</b>							
<i>Revenue from external customers</i>	160	160	81	231	68	0	700
<i>Revenue from transactions with other segments</i>	2	1			1	(4)	0
<b>Total Revenue</b>	<b>162</b>	<b>161</b>	<b>81</b>	<b>231</b>	<b>69</b>	<b>(4)</b>	<b>700</b>
<b>Income from operations</b>	<b>13</b>	<b>23</b>	<b>9</b>	<b>27</b>	<b>(1)</b>		<b>71</b>
Other operating expenses and income	1	(7)		(2)			(8)
Amortization and depreciation	(4)	(4)	(2)	(7)	(2)		(19)

## ➤ 1<sup>st</sup> Half 2008

(in € million)	France	Europe	United-Kingdom	North America	Other	Eliminations	Total
<b>Consolidated income statement line items</b>							
<b>Revenue</b>							
<i>Revenue from external customers</i>	164	187	97	234	73	0	755
<i>Revenue from transactions with other segments</i>	4				1	(5)	0
<b>Total Revenue</b>	<b>168</b>	<b>187</b>	<b>97</b>	<b>234</b>	<b>74</b>	<b>(5)</b>	<b>755</b>
<b>Income from operations</b>	<b>9</b>	<b>30</b>	<b>12</b>	<b>27</b>	<b>4</b>		<b>82</b>
Other operating expenses and income			1	8			9
Amortization and depreciation	(4)	(4)	(2)	(6)	(1)		(17)

### 5.2.13. Net financial expense

The table below details net financial expense for the first half of both 2009 and 2008:

(in euro million)	1st Half 2009	1st Half 2008
<b>Interest income</b>	<b>5</b>	<b>17</b>
<b>Cost of debt</b>	<b>(13)</b>	<b>(35)</b>
-OCEANE		(16)
-OB SAAR	(8)	(9)
-Other	(5)	(10)
<b>Other financial expenses and income</b>	<b>0</b>	<b>(1)</b>
Exchange gains and (losses)	1	(1)
Other	(1)	
<b>Net financial expense</b>	<b>(8)</b>	<b>(19)</b>

### 5.2.14. Earnings per share

	1st Half 2009	1st Half 2008
Net income attributable to equity holders of the parent, in euro million	40	49
Number of weighted outstanding shares, in thousands	429 869	429 862
<b>Net income attributable to equity holders of the parent, basic earnings per share in euro</b>	<b>0,09</b>	<b>0,11</b>
<i>Impact of dilutive instruments (options)</i>		
In thousands of options	0	188
In millions of euros	0	0
Net income attributable to equity holders of the parent adjusted to dilutive instrument impact, in euro million	40	49
Diluted number of shares, in thousands	429 869	430 050
<b>Net income attributable to equity holders of the parent, diluted earnings per share in euro</b>	<b>0,09</b>	<b>0,11</b>

The outstanding number of subscription or purchase options and callable subscription and/or acquisition warrants amounted to 85,901,080 and 91,269,716, respectively, as at June 30, 2009 and 2008. Only 188,041 stock share equivalents as at June 30, 2008 have been taken into account for the calculation of diluted earnings per share for the first half of 2008. The remaining options were out of the money.

In addition, 2002 OCEANEs convertible into 48,389,622 existing or new shares as at June 30, 2008 have not been taken into account for the calculation as they are anti-dilutive. These convertible bonds were redeemed on January 2, 2009.

#### 5.2.15. Related party transactions

The Group did not enter into any significant new transactions with related parties during the first half of either 2009 or 2008. The operating transactions with entities controlled by the members of the families of Fernando Rodés Vilà and Leopoldo Rodés Castañe, both of whom are directors of HAVAS SA and also with the Bolloré Group were carried out at market value and were fully described in the notes to the financial statements in the 2008 annual report.

#### 5.2.16. Contractual and off balance sheet commitments

The Group has not undertaken significant commitments during the first half of 2009.

#### 5.2.17. Events after the reporting period

None.