

PRESS RELEASE

## Havas: +9.3% organic growth in Q3 2007

- **Sharp improvement in organic growth (+9.3% in Q3, after +5.4% in Q2 and +3.2% in Q1), which has risen to +6.0% for the first nine months of 2007**
- **Revenue progressing well, totalling €1,098 million for the first nine months of 2007, i.e. a +3.3% increase over the corresponding period in 2006**
- **Net new business<sup>1</sup> has continued its positive trend: €1,498 million over the first nine months of 2007**

*"We are very happy with our growth in Q3, and feel all the more comfortable about achieving our objectives for the full year 2007". - Fernando Rodés Vilà, CEO of the Havas Group.*

### 1. Overview

After a satisfactory first half-year, Havas is now posting +9.3% organic growth in Q3 (after +5.4% in Q2 and +3.2% in Q1). This is the strongest quarterly organic growth figure since 2000.

The strengthening of the Euro against the US dollar adversely affected the group by € 29 million in the first nine months of 2007 by comparison with the corresponding period in 2006.

Nevertheless, at current exchange rates, revenue for the first nine months of 2007 stands at €1,098 million, up +3.3% over the first nine months of 2006.

The revenue recorded over the first nine months of 2007 is confirmation that the group has been turned around. The main financial indicators at September 30, 2007 are in line with the budget. The Q4 revenue figures will be published in February 2008.

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<sup>1</sup> Net account gains, expressed in estimated annual billings. The complete definition can be found on page 4 of this release.

## 2. Detailed presentation of Q3 by region

The first nine months of 2007 saw Havas reap the benefits of the new accounts won in 2006, notably Reckitt Benckiser, Sanofi-Aventis, Pfizer, Exxon Mobil, GSK, Progressive Direct and SFR.

Most of our businesses contributed to the organic growth achieved in the third quarter, especially media expertise and digital which continues to be a high growth sector.

Revenue					Organic Growth				
	Q3	Q3	9 months	9 months		Q3	Q3	9 months	9 months
	2007	2006	2007	2006		2007	2006	2007	2006
<b>EUROPE</b>	200	181	613	570	<b>EUROPE</b>	8,7%	8,1%	6,0%	5,2%
<i>of which</i>					<i>of which</i>				
France	76	67	236	221	France	8,0%	3,4%	4,2%	2,8%
UK	46	44	134	128	UK	4,2%	3,5%	2,6%	0,5%
Europe excluding France and UK	78	70	242	220	Europe excluding France and UK	12,3%	16,4%	9,9%	10,6%
<b>NORTH AMERICA</b>	128	130	379	404	<b>NORTH AMERICA</b>	9,1%	-7,1%	4,0%	-5,9%
<b>REST OF THE WORLD</b>	40	32	106	89	<b>REST OF THE WORLD</b>	14,0%	7,9%	13,7%	5,9%
<i>of which</i>					<i>of which</i>				
APAC	19	15	49	44	APAC	18,9%	1,8%	13,1%	-2,6%
LATAM	21	17	57	45	LATAM	10,0%	13,9%	14,2%	15,5%
<b>TOTAL</b>	<b>368</b>	<b>343</b>	<b>1098</b>	<b>1063</b>	<b>TOTAL</b>	<b>9,3%</b>	<b>1,9%</b>	<b>6,0%</b>	<b>0,7%</b>

### EUROPE

The trend is good in most European countries. Europe excluding France and Great Britain has achieved strong double-digit growth due largely to media expertise in the southern European countries and Germany, and to advertising especially in Spain and Italy. The excellent performance of France was driven by corporate communications and the digital sector. Great Britain is strengthening its growth with a strong performance from our advertising, direct and digital businesses.

### NORTH AMERICA

The outstanding performance of the North America region was due to the sharp acceleration of all our activities, especially in the digital sector for Euro RSCG 4D Chicago and New York, but also Media Contacts, media expertise and advertising in the case of Arnold.

### REST OF THE WORLD

In the rest of the world, Q3 was the third consecutive quarter of double-digit growth. In Asia Pacific, growth was driven by India, Australia, Singapore, Japan and Korea where all our businesses performed well. Growth in Latin America is still very high in most countries we operate in.

## 3. Net New Business in 2007

Net New Business totalled €256 million in Q3 2007, bringing the total for the first nine months to €1,498 million versus €1,580 million for the corresponding period in 2006.

The main accounts won in Q3 were the following:

- **Advertising:** Direct TV and Virgin Atlantic Airways (USA); Kraft Foods and Hershey's (Canada); Weight Watchers and Kyocera Mita (Germany); Ministerio Fomento (Spain); Worten (Portugal); Fairfax Digital (Australia); and Honda (Indonesia).
- **Media:** Credit Suisse and Air Asia (Great Britain); Tri Pictures (Spain); Festina (Italy), and Bwin (Argentina).
- **Marketing services:** British Sky Broadcasting and HMV (Great Britain).

#### 4. Awards for Creativity

The following campaigns received awards for creativity in Q3 2007:

At the Grand Prix de l’Affichage event for posters, **BETC Euro RSCG** carried off the Grand Prix for “Pot de Départ” on behalf of Canal+, while H also received an award for the Imagine’R campaign.

The Grand Prix Stratégies du Design awards saw **W&Cie** take two prizes for interior and exterior renovation at the Vélizy 2 shopping centre, and for the PPR group’s annual report.

The WebAwards, for corporate website creativity, bestowed 13 awards on **Arnold Boston**, four awards on **Palm Communication** in Canada, and a further two awards on **Euro RSCG 4D Portland** as well as one award on **Euro RSCG 4D Hong Kong**.

**Euro RSCG and MPG Argentina** were gold prize winners at the Effie Awards in the financial services category for the “Estoy Mirando” campaign for BBVA Banco Francés. MPG Argentina also received a silver award for the Coca-Cola “Levante la Mano” campaign.

**Euro RSCG 4D Sydney** carried off five awards for its client Sony Australia at the Australasian Promotion Marketing Association’s event.

At the Promotion Marketing Awards for Asia, **Euro RSCG 4D Beijing** received three awards including the Dragon of China for its “Print it! Punch it!” campaign on behalf of Epson. **Euro RSCG 4D Shanghai** took a Gold Dragon award for the Johnnie Walker Black Label campaign it produced for Moët Hennessy Diageo.

**Euro RSCG Prague** carried off five awards at the Moscow International Festival of Advertising, including a gold award for cosmetics brand Oriflame.

**MPG International** received Media & Marketing’s award for the best campaign in the financial services and advisory category with “I Shares Week” produced for Barclays Global Investors.

At the Marketing and Interactive Excellence Awards, **Media Contacts USA** received a gold award in the product launch category with “Freedom of the Seas” for Royal Caribbean.

**B6 in Argentina** took three CAMPRO (Camera Argentina de Empresarias de Marketing Promocional) awards for the promotional launch of Coca-Cola’s “Putting Coke in the picture”.

## **About Havas**

Havas (Euronext Paris: HAV.PA) is a global advertising and communications services group. Headquartered in Paris, Havas operates through its two worldwide networks, Euro RSCG Worldwide and Havas Media, which are headquartered in New York and Barcelona respectively, and through a number of independent agencies renowned for their creativity, such as Arnold Worldwide Partners. A multicultural and decentralized Group, Havas is present in more than 75 countries through its networks of agencies and contractual affiliations. The Group offers a broad range of communications services, including traditional advertising, direct marketing, media planning and buying, corporate communications, sales promotion, design, human resources, sports marketing, multimedia interactive communications and public relations. Havas employs approximately 14,400 people.

Further information about Havas is available on the company's website: [www.havas.com](http://www.havas.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 *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 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.

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