

Press release

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Publicis Groupe Becomes First Communications Group to Enter the Palestinian Market Through Acquisition of an Equity Stake in Zoom Advertising

"Today's transaction comes immediately after our announcement of the acquisition of BBR in Israel; symbolically, this speaks to every man's dream of seeing peace in the Middle East and between the Palestinian and Israeli peoples. Moreover, it is also a call to French and international companies to set up in the region and to contribute to creating the economic development without which there can be no durable peace," said Maurice Lévy, Chairman & CEO of Publicis Groupe.

Ramallah, Palestine -- Publicis Groupe [EURONEXT Paris: FR0000130577] today announced its purchase of an equity stake in Ramallah-based Zoom Advertising, a subsidiary of Massar International. According to the terms of the agreement, Publicis Groupe immediately acquires 20% of the agency, and has the possibility of increasing its participation over the coming years. The transaction marks an unprecedented entry for a publicly-listed international communications group into the Palestinian market. Zoom will be renamed Publicis Zoom and will be aligned with the Publicis Worldwide global network. The acquisition remains subject to the approval of relevant authorities.

Maurice Lévy, Chairman and Chief Executive Officer of Publicis Groupe, signed the agreement today in Ramallah with Bashar Masri, Zoom's Chairman of the Board at a ceremony attended by private sector leaders and government officials from Palestine. Maurice Lévy was accompanied by Jean-Yves Naouri, Chief Operating Officer of Publicis Groupe and Executive Chairman of Publicis Worldwide, and by Loris Nold, Member of the Executive Committee of Publicis Worldwide.

Zoom was founded in 2004 and quickly established itself as the leading agency in the Palestinian communications industry, providing sophisticated digital and interactive tools. Along with its expertise in multimedia applications, Zoom is the local leader of creative and brand strategy, with corporate clients in virtually all market sectors. Zoom's clients include the Bank of Palestine, the Paltel Group, the Palestine Exchange, Coca-Cola, the European Union, UNICEF, UNRWA, Peugeot, Cairo-Amman Bank and the new Palestinian planned city of Rawabi. The agency employs a staff of 23 and will continue to be led by its current executive team, General Manager Firas Awad and Managing Partner Jane Masri.

Palestine is the most recent addition to Publicis Worldwide's expanding Middle East presence, joining agencies in UAE, Egypt, Jordan, Kuwait, Saudi Arabia, and Qatar. Publicis Groupe's direct investment in a Palestinian company signals Mr. Lévy's personal confidence in the Palestinian economy as well as a strongly optimistic long-term view of both the Palestinian and regional economies, and his hope for sustained peace in the region.

"Today's transaction is important on several levels" said Maurice Lévy, Chairman and CEO of Publicis Groupe. "One key element, of course, is Publicis' desire to serve our clients wherever they work. But the impact of this operation extends much further than that. It comes immediately after our announcement of the acquisition of BBR in Israel; symbolically, this speaks to every man's dream of seeing peace in the Middle East and between the Palestinian and Israeli peoples. Moreover, it is also a call to French and international companies to set up in the region and to contribute to creating the economic development without which there can be no durable peace."

Jean-Yves Naouri, Chief Operating Officer of Publicis Groupe, added, *"Zoom Advertising's excellent track record in the Palestinian digital and interactive markets made it a natural partner for Publicis Groupe, with its focus on fast growing markets and digital as its two strategic pillars. The Arab world is embracing digital technology at an unprecedented pace, as was demonstrated during the events of the Arab spring, and Palestine is no exception. We consider ourselves extremely fortunate to have found such a promising partner in Palestine and this deal underscores our commitment to strengthening our presence in the region."*

Bashar Masri, Chairman of the Board of Zoom, also expressed his confidence that the deal was a very positive signal for the Palestinian private sector. He stated, *"Today's deal is a key step towards the goal of fostering an enabling business environment for private sector growth and development, and I am confident that more investments like this one are on the horizon. The fact that a Palestinian company passed the rigorous due diligence procedures of a global, publicly-listed company like Publicis Groupe should send a very strong message to the Palestinian private sector. I am particularly proud that Zoom was the company to achieve this milestone for the communications industry in Palestine."*

About Publicis Groupe

Publicis Groupe [Euronext Paris FR0000130577, part of the CAC 40 index] is the third largest communications group in the world, offering the full range of services and skills: digital and traditional advertising, public affairs and events, media buying and specialized communication. Its major networks are Leo Burnett, MSLGROUP, PHCG (Publicis Healthcare Communications Group), Publicis Worldwide, Rosetta and Saatchi & Saatchi. VivaKi, the Groupe's media and digital accelerator, includes Digitas, Razorfish, Starcom MediaVest Group and ZenithOptimedia. Present in 104 countries, the Groupe employs 54,000 professionals.

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About Zoom Advertising

Zoom Advertising is the leading agency in the Palestine for creative, digital and multimedia marketing services. Zoom offers clients a national network of outdoor advertising space, a national digital signage network, design and development of multimedia and web applications, brand management services, and a full roster of traditional and non-traditional marketing tools. Zoom is a member of the Massar International group of companies.

www.zoom.ps

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