



Press release

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PUBLICIS GROUPE ANNOUNCES TWO ACQUISITIONS IN INDIA

- **ISTRAT, A LEADING INTEGRATED DIGITAL AGENCY**
- **MARKETGATE, A KEY MUMBAI FIRM PROVIDING MARKETING AND BRAND STRATEGY CONSULTING SERVICES**

We've recently made a number of smart, bold moves in India, and we're going to continue doing so," declared Jean-Yves Naouri, Chief Operating Officer of Publicis Groupe and Executive Chairman of Publicis Worldwide. "Building digital capabilities is a fundamental part of the Publicis strategy, and today's acquisition of iStrat and the strengthening of our digital arm in this promising market is a key step towards realizing our growth goals. In addition, MarketGate is a fast-moving strategic outfit with strong skill-sets, an impressive range of clients and thorough knowledge of the Indian market and its consumers," he continued.

Publicis Groupe [Euronext Paris: FR0000130577] announced today the acquisition of two different agencies in India : iStrat, one of the country's foremost integrated digital agencies, as well as MarketGate, a Mumbai-based strategic business and marketing consulting firm. These acquisitions mark another step towards fulfilling Publicis Groupe's ambitious goal of doubling its size in India between 2010 and 2015 — part of the Groupe's commitment to strongly boosting revenue derived from digital and fast-growing markets around the world.

iStrat was founded in 2003 and provides solutions across all forms of digital marketing. The agency services a broad range of prestigious clients, including Alpha G:Corp (real estate), the Confederation of Indian Industries, Dupont (luxury accessories), Hero Corp (motorcycles), Hindware (kitchen and sanitary appliances), Maruti Suzuki, the NASSCOM software trade association, and Nestlé. The agency, which is headquartered in Delhi and employs a team of 50, provides the full range of digital communications services including e-commerce store fronts, search engine optimization, social media, and rich media.

MarketGate, which was founded in 2005, delivers top-flight services in business growth planning, marketing strategy, brand positioning, portfolio strategy, brand architecture development, and marketing skills development. The agency's 7 consulting experts aim to rejuvenate brands and power their growth by deploying marketing processes throughout

their clients' organizations. Clients include Colgate, Dabur (foods/personal care), General Motors, GlaxoSmithKline, Godrej (personal care), HSBC, ICICI (financial services/banking), Madura Garments (fashion), Mahindra & Mahindra (automobile), MTR (foods), and Radio Mirchi Viacom.

As a part of this acquisition Publicis Groupe will also acquire MarketGate Dimensions, a subsidiary providing research-based solutions to business, marketing and brand issues, with offices in Mumbai, Delhi & Bangalore. Its client list includes Glenmark (personal care), Kellogg's, Maruti Suzuki, The Walt Disney Company and Viacom 18.

iStrat will be rebranded Publicis iStrat and will operate as a unit within Publicis Modem, Publicis Worldwide's global digital network. Its founders Navneet Singh Sahni (CEO) and Sonya Sahni (Head of Marketing) will continue to lead the agency. MarketGate will retain its name and will operate within Publicis Worldwide. It will also continue to be led by founders Shripad Nadkarni (CEO) and Sharda Agarwal (Executive Director). Both iStrat and MarketGate leadership will now report into Nakul Chopra, CEO South Asia for Publicis Worldwide.

"We've recently made a number of smart, bold moves in India, and we're going to continue doing so," declared Jean-Yves Naouri, Chief Operating Officer of Publicis Groupe and Executive Chairman of Publicis Worldwide, during a press conference held in Mumbai today. *"Building digital capabilities is a fundamental part of the Publicis strategy, and today's acquisition of iStrat and the strengthening of our digital arm in this promising market is a key step towards realizing our growth goals. In addition, MarketGate is a fast-moving strategic outfit with strong skill-sets, an impressive range of clients and thorough knowledge of the Indian market and its consumers."* he continued.

"We are excited to become a part of the Publicis Worldwide network, and we look forward to tapping into its global best practices," added iStrat co-founders Navneet Singh Sahni and Sonya Sahni. *"Today's deal will offer richer, more diversified possibilities to both our clients and our teams. Our experience in India's digital space, together with Publicis' considerable know-how in brand building, will create an incredibly powerful offering for both current and future clients."*

"This is a very exciting move for all of us at MarketGate," added Shripad Nadkarni and Sharda Agarwal. *"Twinning the world-class expertise of Publicis Groupe with our extensive experience of marketing and consultancy across all sectors in India will make for a very powerful combination. We're passionate about our clients, and we know that they will benefit from this move."*

India is currently the world's 16th largest advertising market, and although the country's economic growth has slowed somewhat in 2012, it remains over 5%. ZenithOptimedia forecasts (December 2012) advertising expenditure to increase by 7.7% in India in 2013.

Publicis Groupe counts more than 2,500 permanent employees across India, through the following global networks: BBH, Digitas, Leo Burnett, MSLGROUP, Publicis Healthcare Communications Group, Publicis Worldwide, Saatchi & Saatchi, Starcom MediaVest Group, and ZenithOptimedia. The Groupe has been working to increase its profile in the country, including recent acquisitions of Resultrix (August 2012) and Indigo Consulting (April 2012). India is currently Publicis Groupe's 13th largest market in terms of revenue.

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 (Digitas, Razorfish, Rosetta, VivaKi), traditional advertising (BBH, Leo Burnett, Publicis Worldwide, Saatchi & Saatchi), public affairs, corporate communications and events (MSLGROUP), media buying and strategy (Starcom MediaVest Group and ZenithOptimedia) and specialized communications with PHCG (Publicis Healthcare Communications Group). Present in 104 countries, the Groupe employs 56,000 professionals.

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Viva la Difference !

Contacts

Publicis Groupe

Peggy Nahmany

Communication corporate

+ 33 (0)1 44 43 72 83

Martine Hue

Investor Relations

+ 33 (0)1 44 43 65 00

Stéphanie Atellian

Investor Relations

+ 33 (0)1 44 43 74 44

iStrat

Navneet Sahney

Communications

+91 11 25572445

MarketGate

Shripad Nadkarni

Communications

+91 22 24926635