Publicis Groupe S.A. and LBi International N.V. Agreement on Intended Recommended Public Cash Offer

This is a joint press release by LBi International N.V. ("LBi") and Publicis Groupe S.A. ("Publicis Groupe") pursuant to the provisions of Article 5, paragraph 1, and Article 7, paragraph 4 of the Dutch Public Takeover Decree (*Besluit openbare biedingen Wft*) in connection with the intended public offer by Publicis Groupe for all the issued and outstanding shares in the capital of LBi. This press release does not constitute or form part of an offer for ordinary shares in LBi. It is an announcement that a conditional agreement has been reached between LBi and Publicis Groupe in connection with a potential public offer as set out in this press release. This press release may not be published, distributed, disseminated or otherwise sent into Japan, Australia or Canada.

Publicis Groupe [EURONEXT Paris: FR0000130577] and LBi [EURONEXT Amsterdam: LBI], one of the world's largest independent digital communications agencies, announce they have reached a conditional agreement on a potential recommended cash offer to acquire all outstanding shares of LBi (the "Offer"). Publicis Groupe intends to pay LBi shareholders EUR 2.85 per share in cash (the "Offer Price"); no dividend payments or other distributions on LBi shares will be made. The Offer Price represents a premium of 39.8% above the "unaffected"[1] 12-month weighted average share price of LBi of EUR 2.04[2]. The Offer values the fully diluted share capital of LBi at approximately EUR 416 million. The Management Board and Supervisory Board of LBi fully support and unanimously recommend the Offer to LBi's shareholders.

[1] Based on an "unaffected" date of 15 June 2012, before speculation of a possible transaction

[2] Source: Capital IQ

LBi is one of the few large remaining independent digital communications agencies and the only one with a global footprint. Headquartered and listed in Amsterdam, LBi currently employs approximately 2,200 people in 16 countries (of which 630 are based in the UK) and has 32 offices around the world. Traditionally active in digital marketing, LBi has expanded its offering to a wide suite of digital media services, ranging from communication, e-commerce services to brand strategy, content, social media and mobile. LBi has succeeded in attracting and retaining a large number of prestigious clients, in a broad range of sectors, such as Lloyds TSB, Volvo, Johnson & Johnson, Coca Cola, Carlsberg and Ikea. LBi has received over 110 creative awards in the last two years. Management, led by CEO Luke Taylor, has implemented successive strategic transformations to adapt to the evolution of the digital space through structural steps, the acquisitions of Bigmouthmedia and Mr. Youth in 2010 and 2011 respectively and the creation of hubs in key markets to strengthen the company's worldwide presence. In 2011, LBi reported net revenue[3] of EUR 196.6 million, up 12.0%[4] from 2010, and an adjusted EBITDA[3] of EUR 31.9 million implying a margin of 16.2%. In the first half of 2012, LBi reported net revenue[3] of EUR 119.4 million, up 18.2% from the equivalent period in 2011 on an organic basis, and an adjusted EBITDA[3] of EUR 19.9 million implying a margin of 16.7%.

After the acquisition of the three strong pure-play digital brands, Digitas, Razorfish and Rosetta, Publicis Groupe confirms its ambitions in this critical area for its clients and the future of the communication sector. The proposed acquisition of LBi will enable Publicis Groupe to increase its share of revenue derived from digital operations to over 35%, in line with its strategic goals, and to capitalise on the complementarity with its existing global digital businesses. Its clients will benefit from the outstanding service offering of this enlarged digital platform and the expertise of talented professionals.

"The acquisition of LBi is another step forward in further strengthening our digital operations" said Maurice Lévy, Chairman and Chief Executive Officer of Publicis Groupe. *"Within the global advertising landscape, LBi is a well known partner for extraordinary digital customer experiences, based on a blend of creativity and expertise in technology, strategy and social media. The integration of LBi will further enhance our capabilities and, through a wider pool of resources and talent, help deliver innovative and best-in-class services to our clients, which is our relentless focus. Furthermore, this acquisition has a positive impact on our EPS in the first year post acquisition."*

"We are thrilled at the prospect of joining the Publicis Groupe and are convinced this transaction not only provides highly attractive value to our shareholders, but equally to our clients, staff and partners", said Luke Taylor, Chief Executive Officer of LBi. *"Publicis Groupe has consistently demonstrated a clear and emphatic belief in the importance of digital media and is recognized for grooming and managing its talent worldwide. Our entire strategy to date is built on a commitment to relentlessly drive and optimise value for our clients. There is now a unique opportunity to pace set the market and collaborate across new geographies and marketing services so that we can accelerate our strategic plans aimed at providing clients with a globally integrated offering."*

The transaction is expected to be accretive to Publicis Groupe's earnings per share in the first year post acquisition, before the impact of any synergies and integration costs.

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[3] Metrics should not be viewed as fully comparable with Publicis Groupe
[4] Proforma for Bigmouthmedia

Unanimous support from the Management Board and Supervisory Board of LBi

On 25 June 2012, the Board of LBi announced that it was in discussions with third parties in respect of strategic alternatives available to LBi. These discussions have now been fully pursued, culminating in today's announcement of an intended combination with Publicis Groupe. After a careful decision-making process, taking into account the Dutch Corporate Governance Code and the internal corporate governance rules, the Management Board and Supervisory Board of LBi believe this transaction is in the best interests of the company and its stakeholders including its clients, shareholders, partners and employees. The Boards fully support and unanimously recommend the Offer to LBi's shareholders.

Fairness Opinions

Jefferies International Limited is acting as sole financial advisor to LBi and has rendered a fairness opinion to the Management Board in connection with the Offer. ABN Amro Bank N.V. has, as independent advisor, rendered a fairness opinion to the Supervisory Board of LBi in connection with the Offer. Each such opinion, based upon and subject to the factors noted, assumptions made, matters considered and limitations on the review undertaken in connection with such opinion, states that, as of today, the intended Offer Price is fair to LBi's holders of ordinary shares from a financial point of view.

Irrevocable undertakings for in total 67% of the shares

To date, Publicis Groupe has received an irrevocable commitment from certain identified shareholders, including, but not limited to, Janivo, Red Valley, Carlyle Europe Technology Partners, Cyrte Investments and Westerduin, the members of the Boards and selected senior managers, together representing 67% of the fully diluted share capital of LBi, to tender their shares under the Offer if and when made (the "Undertakings"). The Undertakings contain certain customary undertakings and conditions.
The relevant shareholders did not receive any information in connection with the Offer that will not be included in the Offer document.

Agreement with Project Holland Fonds

Publicis Groupe has entered into a put-call option agreement with Project Holland Fonds for their 6% stake in LBi for a price of EUR 2.80 per share. The option is exercisable between 1 November and 15 November 2012, provided that Publicis Groupe has not withdrawn its intention to make the Offer as expressed in this press release before 1 November 2012.

Financing of the Offer

Publicis Groupe will conduct the public Offer through a wholly-owned subsidiary registered in the Netherlands. Publicis Groupe will finance the Offer from its own readily available resources and the financing of the Offer will not be subject to third party conditions or contingencies. Publicis Groupe has a strong financial position and will remain committed to maintaining a strong balance sheet. This announcement constitutes a certain funds announcement as required by Article 7, paragraph 4 of the Dutch Public Takeover Decree (*Besluit openbare biedingen Wft*).

Corporate Governance after the Offer

After successful completion of the Offer, the Supervisory Board of LBi will consist of seven members of whom five shall be appointed by the general meeting of shareholders upon nomination by Publicis Groupe and two shall be current members of the Supervisory Board, who are considered independent members within the definition of the Dutch Corporate Governance Code. The members of the Management Board of LBi and certain other senior managers have agreed to stay on either as a member of the Management Board or a senior manager after completion of the Offer.

Pre-Offer and Offer conditions

The commencement of the Offer is subject to the satisfaction or waiver of certain pre-Offer conditions customary for transactions of this kind, such as: (i) no breach (including a breach of the warranties) of the merger agreement having occurred, (ii) no material adverse change having occurred, (iii) no public announcement having been made of a Superior Offer (as defined hereafter) or of a mandatory offer for the shares in LBi, (iv) no revocation or change of the recommendation by the Management Board or the Supervisory Board of LBi, (v) no order, stay judgment or decree restraining or prohibiting the transaction, (vi) approval of the Offer document by the Dutch financial regulator, Autoriteit Financiële Markten (“AFM”), (vii) the merger agreement not being terminated, (viii) no Offer condition having become permanently incapable of fulfilment and not being waived and (ix) none of the Undertakings having been revoked or changed.

If and when made, the consummation of the Offer will be subject to the satisfaction or waiver of certain Offer conditions customary for transactions of this kind, such as: (i) a minimum acceptance of 90% of LBi's shares on a fully diluted basis, (ii) no breach (including a breach of the warranties) of the merger agreement having occurred, (iii) no material adverse change having occurred, (iv) no public announcement having been made of a Superior Offer (as defined hereafter) or of a mandatory offer for the shares in LBi, (v) no revocation or change of the recommendation by the Management Board or the Supervisory Board of LBi, (vi) no order, stay judgment or decree restraining or prohibiting the transaction, (vii) no pending shareholder action, claim or proceeding, (viii) antitrust clearance under applicable anti-trust laws having been obtained and (ix) the merger agreement not being terminated.

Superior Offer

Publicis Groupe and LBi may terminate the merger agreement in the event that a *bona fide* third-party makes an offer which is more beneficial to LBi's shareholders and other stakeholders than the Offer taking into account the overall terms and conditions including the pre-Offer and Offer conditions, any financing condition or contingency and compliance with antitrust laws and which is binding upon such party and exceeds the Offer Price by at least 9% (a "Superior Offer "). In the event of a Superior Offer, Publicis Groupe will be given the opportunity to revise its Offer. If this revised Offer by Publicis Groupe is at least equally beneficial to the Superior Offer, LBi may not terminate the conditional agreement with Publicis Groupe. The same is true for any subsequent Superior Offer.

On termination of the merger agreement because of a breach of exclusivity by LBi, a Superior Offer or a material breach of the merger agreement, LBi will forfeit a termination fee to Publicis Groupe of EUR 7.5 million. The termination fee also applies if the Management or the Supervisory Boards revoke their recommendation or in the event of a material breach of any provision of the merger agreement by any of the parties thereto. In case of a breach of the merger agreement by Publicis Groupe, Publicis Groupe shall equally forfeit a similar termination fee of EUR 7.5 million.

Antitrust approvals

Publicis Groupe and LBi will seek to obtain all the necessary approvals and competition clearances as soon as practicable.

Indicative timetable

It is Publicis Groupe's intention to submit a request for approval of its Offer document to the AFM and to finalise all required documentation with regard to the Offer as soon as reasonably possible after this announcement. Once the Offer document is approved by the AFM, the Offer will be made and the Offer document will be published. It is currently expected that this will take place in the second half of November 2012. The Offer period will be at least eight weeks and no more than ten weeks, after which the Offer may be declared unconditional or the Offer may be extended. LBi will hold an EGM at least six business days before closing of the Offer period in accordance with Article 18, paragraph 1 of the Decree on Public Takeover Bids (*Besluit Openbare Biedingen Wft*). Subject to the Offer conditions, if and when the Offer is declared unconditional, there may be a post-closing acceptance period of two weeks. The closing of the transaction is expected in Q1 2013.

Further Information

The information in this press release is not intended to be complete and for further information explicit reference is made to the Offer document, which is expected to be published in the second half of November 2012. The Offer document will contain details of the Offer. The LBi shareholders are advised to review the Offer document in detail and to seek independent advice where appropriate in order to reach a reasoned judgment in respect of the content of the Offer document and the Offer itself.

Important information

This announcement is for information purposes only and does not constitute an offer or an invitation to acquire or dispose of any securities or investment advice or an inducement to enter into investment activity. This announcement does not constitute an offer to sell or issue or the solicitation of an offer to buy or acquire the securities of Publicis Groupe or LBi in any jurisdiction. The distribution of this press release may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this document should inform themselves of and observe these restrictions. To the fullest extent permitted by applicable law, Publicis Groupe and LBi disclaim any responsibility or liability for the violation of any such restrictions by any person. Any failure to comply with these restrictions may constitute a violation of the securities laws of that jurisdiction. Neither Publicis Groupe nor LBi, nor any of their advisors assumes any responsibility for any violation by any person of any of these restrictions. Any LBi shareholder who is in any doubt as to his position should consult an appropriate professional advisor without delay. This announcement is not to be published or distributed in or to Australia, Canada or Japan.

This announcement contains forward-looking statements. Forward-looking statements are statements that do not describe past facts, but also such statements regarding assumptions and expectations as well as the underlying assumptions. These statements are based on the planning, estimates and forecasts currently available to the management of Publicis Groupe and LBi.

Forward-looking statements are thus only related to the date on which they are made. No obligation will be assumed by Publicis Groupe to revise such statements in light of new information or future events. Forward-looking statements harbour risks and uncertainties by nature. A number of important factors may lead to the fact that actual results differ substantially from such forward-looking statements.

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 56,000 professionals.
www.publicisgroupe.com | Twitter:@PublicisGroupe | Facebook: www.facebook.com/publicisgroupe

About LBi

LBi International N.V. [NYSE Euronext Amsterdam: LBI] is Europe's largest independent marketing and technology agency, blending insight, media, creativity and technical expertise to create value for brands. Headquartered in Amsterdam (the Netherlands), the company has operations in 17 countries and a staff of approximately 2,200. As a marketing and technology agency, LBi offers services to brands and (clients) to help them engage with their customers through digital channels across a wide spectrum of their points of engagement, from initial awareness of the brand, through direct interaction with the services or products offered by the brand, to on-going relationships with the brand.
LBi offers a suite of services that are designed to help its clients attract, engage and manage customers, more effectively. This full service offering combines analytical, direct marketing and digital competences, which means that they are able to develop big creative ideas in the digital space, build and manage complex transactional websites, run complex CRM programmes and even handle the media buying, planning and electronic public relations for blue chip companies.
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