2021

PRELIMINARY RESULTS

24 February 2022

WPP

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This presentation contains statements that are, or may be deemed to be, "forward-looking statements". Forward-looking statements give the Group's current expectations or forecasts of future events. An investor can identify these statements by the fact that they do not relate strictly to historical or current facts. They use words such as 'anticipate', 'estimate', 'expect', 'intend', 'will', 'project', 'plan', 'believe', 'target' and other words and terms of similar meaning in connection with any discussion of future operating or financial performance.

Other than in accordance with its legal or regulatory obligations (including under the UK Market Abuse Regulations, UK Listing Rules and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority), the Group undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. Investors should, however, consult any additional disclosures that the Group may make in any documents which it furnishes and/or files with the US Securities and Exchange Commission (SEC). All investors, wherever located, should take note of these disclosures. Accordingly, no assurance can be given that any particular expectation will be met and investors are cautioned not to place undue reliance on the forward-looking statements. Forward-looking statements are subject to assumptions, inherent risks and uncertainties, many of which relate to factors that are beyond the Group's control or precise estimate. The Group cautions investors that a number of important factors, including those in this presentation, could cause actual results to differ materially from those expressed or implied in any forward-looking statement. Such factors include, but are not limited to, those discussed under Item 3.D 'Risk factors' in the Group's Annual Report on Form 20-F for FY 2020 and any impacts of the COVID-19 pandemic. Any forward-looking statements made by or on behalf of the Group speak only as of the date they are made and are based upon the knowledge and information available to the Directors on the date of this presentation.

CONTENTS

VERY STRONG GROWTH DRIVEN BY DEMAND FOR DIGITAL SERVICES, ECOMMERCE AND TECHNOLOGY

- FY LFL revenue less pass-through costs growth more than double initial expectations: +12.1% vs mid-single-digit guidance; +2.9% on 2019
- Strong growth across the board in Q4: GIA +10.0%, PR +15.1%, Specialist Agencies +13.9%
- Performance driven by faster-growth areas:
  - Global Integrated Agencies (ex GroupM) 38% Experience, Commerce and Technology vs 35% in 2019
  - GroupM billings 43% digital, with 41% growth in commerce media
- Success with three of the world's biggest marketers, Coke, Google and Unilever; total net new business of $8.7 billion
- Leading in creativity: most creative company of the year at 2021 Cannes Lions
- Over £1 billion returned to shareholders in 2021: £729 million share buybacks; final dividend +33.6% to 18.7p
- Good momentum into 2022: guiding to LFL growth of around 5%; improvement in headline operating margin of around 50 basis points; further buyback of £800 million planned

FINANCIAL PERFORMANCE

UNAUDITED HEADLINE[1] IFRS INCOME STATEMENT

YEAR TO 31 DECEMBER	2021 £M	2020[2] £M	Δ REPORTED	Δ LFL[3]
Continuing operations				
Revenue	12,801	12,003	6.7%	13.3%
Revenue less pass-through costs	10,397	9,762	6.5%	12.1%
Operating profit	**1,494**	**1,261**	**18.5%**	
Income from associates	86	10	-	
PBIT	**1,580**	**1,271**	**24.3%**	
Net finance costs	(215)	(230)	(6.6%)	
Profit before tax	**1,365**	**1,041**	**31.1%**	
Tax at 24.0% (2020: 23.0%)	(328)	(240)	36.7%	
Profit after tax	**1,037**	**801**	**29.5%**	
Non-controlling interests	(83)	(59)	40.9%	
Profit attributable to shareholders	**954**	**742**	**28.6%**	
Diluted EPS	**78.5p**	**60.1p**	**30.6%**	
Operating profit margin[4]	**14.4%**	**12.9%**	1.5pt	
EBITDA	1,751	1,481	18.2%	

- Strong LFL growth in revenue and revenue less pass-through costs
- Foreign exchange headwind of 5.0pt on revenue less pass-through costs growth
- Operating profit increased by 18.5% with benefit of good cost control and margin improved 1.5pt
- Associate income up by £76m due to Kantar and broad recovery elsewhere
- Headline tax rate increased by 1.0pt reflecting profit mix and changing international tax environment
- Diluted EPS from continuing operations up 31%, supported by share buyback

1 Figures before goodwill and intangibles charges, gains/losses on step-ups, gains/losses on disposals of subsidiaries and investments, investment and other write-downs, share of exceptional gains/losses of associates, restructuring and transformation costs, restructuring costs in relation to COVID-19, litigation settlement and revaluation of financial instruments
2 2020 figures have been restated as described in note 2 of Appendix 1 to the 2021 Preliminary Results press release
3 Like-for-like growth at constant currency exchange rates, adjusted to reflect the results of acquisitions and disposals and the reclassification of certain businesses to associates in 2021 and the reassessment of agency arrangements under IFRS 15 for the commensurate period in the prior year
4 Margin as % of revenue less pass-through costs

RECONCILIATION OF HEADLINE OPERATING PROFIT TO REPORTED OPERATING PROFIT

	2021	2020[1]	Δ
YEAR TO 31 DECEMBER	**£M**	**£M**	**£M**
Headline operating profit	**1,494**	**1,261**	**233**
Goodwill impairment	(2)	(2,823)	2,821
Amortisation and impairment of intangibles	(98)	(89)	(9)
Investment and other write-downs	43	(296)	339
Restructuring and transformation costs	(146)	(81)	(65)
Restructuring costs in relation to COVID-19	(30)	(233)	203
(Loss)/gain on disposal of investments & subsidiaries	(11)	8	(19)
Litigation settlement	(21)	(26)	5
Gain on remeasurement of equity interests	-	1	(1)
Non headline items	**(265)**	**(3,539)**	**3,274**
Reported operating profit/(loss)	**1,229**	**(2,278)**	**3,507**

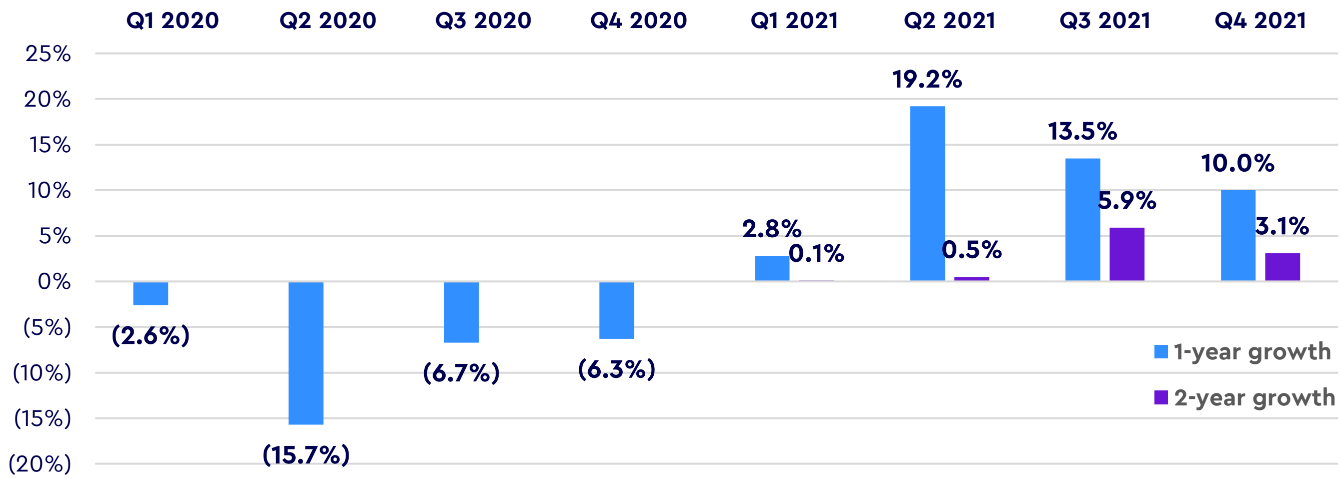
- 2020 figures impacted by significant impairments
- Restructuring now includes ERP roll-out per SaaS accounting guidelines
- Limited further COVID restructuring

1. 2020 figures have been restated as described in note 2 of Appendix 1 to the 2021 Preliminary Results press release

GLOBAL INTEGRATED AGENCIES: STRONG GROWTH CONTINUES

£M	FY 2021 £M	Δ REPORTED	Δ VS 20 LFL	Δ VS 19 LFL
Revenue less pass-through costs	8,638	5.4%	11.3%	2.5%
Headline operating profit	1,216	14.7%		
Headline operating margin	14.1%	+1.2pt		

LFL REVENUE LESS PASS-THROUGH COSTS GROWTH

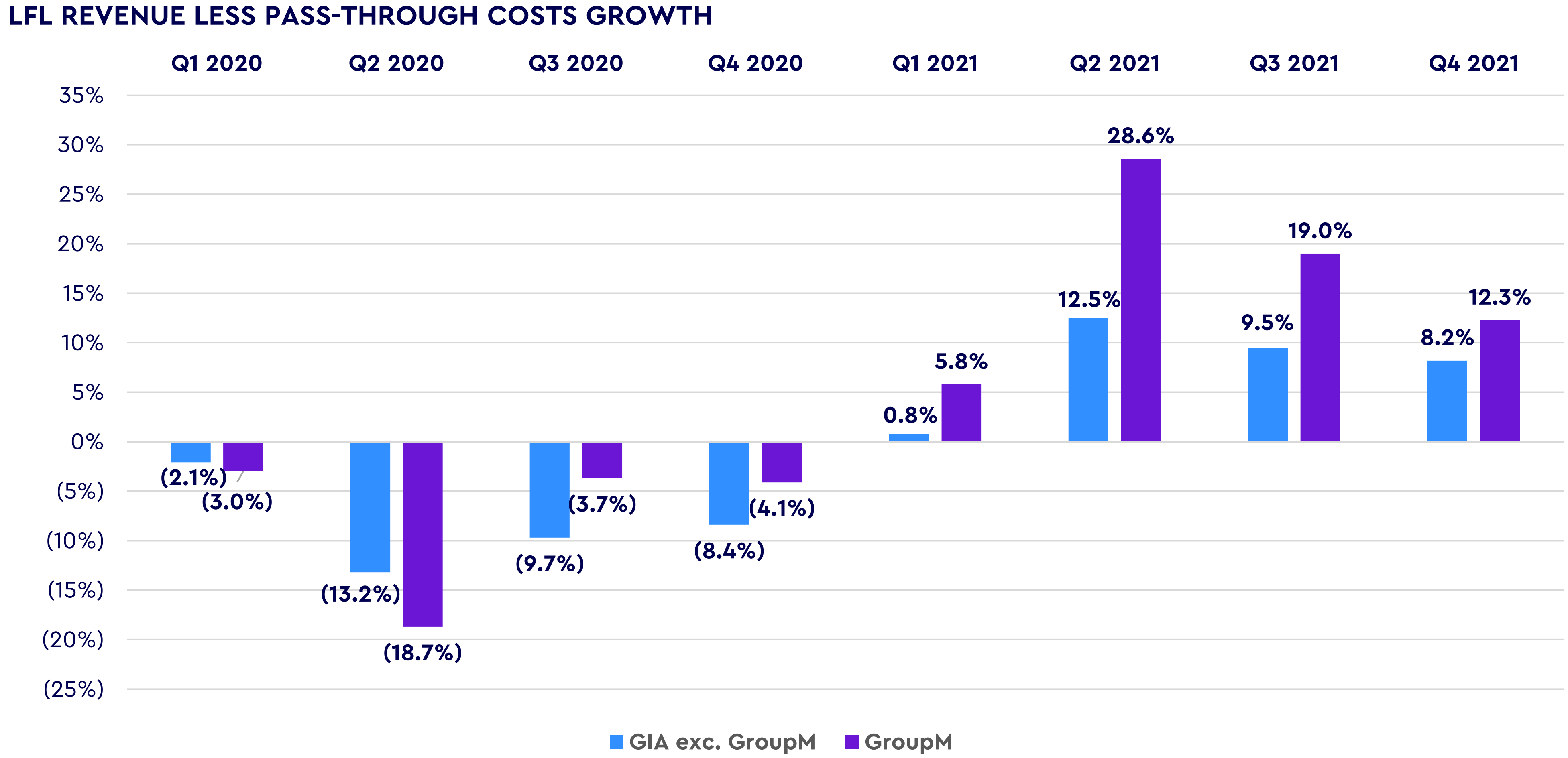


Note: 2020 growth rates have not been restated for the reassignment of AKQA, Geometry, GTB and International Healthcare from Specialist Agencies to Global Integrated Agencies from Q1 2021

PERFORMANCE REVIEW

- GroupM +12.3% in Q4, 38% of WPP's revenue less pass-through costs
- Integrated agencies growing at broadly similar rates, Ogilvy and AKQA Group improving
- H2 2-year LFL growth 4.4%
- Headline operating margin up 1.2pt

GROUPM VERY STRONG, INTEGRATED AGENCIES RECOVERING WELL

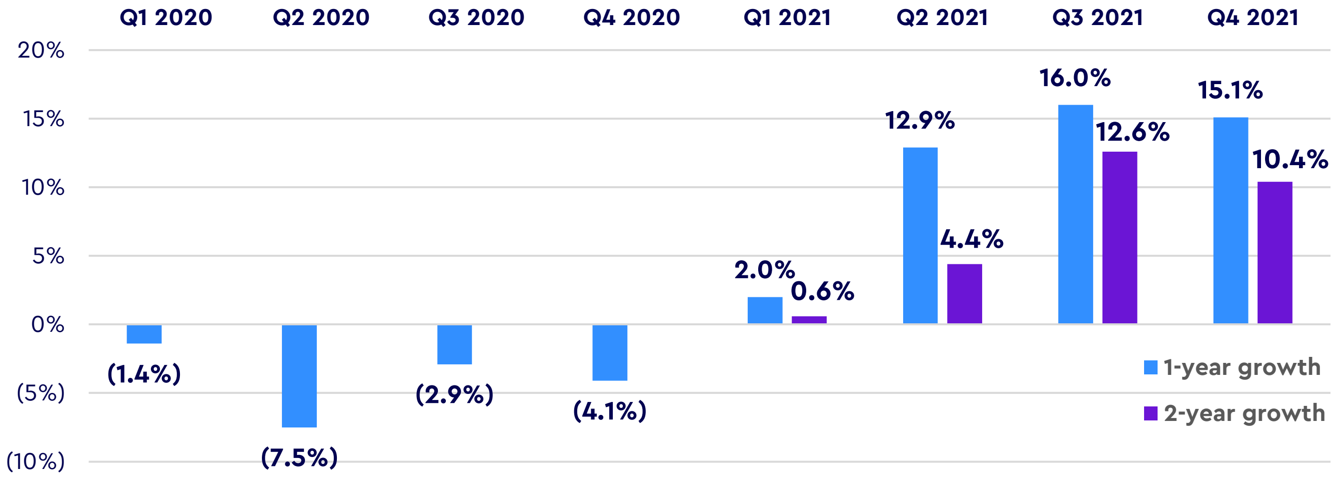


Note: 2020 growth rates have not been restated for the reassignment of AKQA, Geometry, GTB and International Healthcare from Specialist Agencies to Global Integrated Agencies from Q1 2021

PUBLIC RELATIONS: DOUBLE-DIGIT 2-YEAR GROWTH IN H2

£M	FY 2021 £M	Δ REPORTED	Δ VS 20 LFL	Δ VS 19 LFL
Revenue less pass-through costs	910	6.5%	11.5%	7.0%
Headline operating profit	143	1.3%		
Headline operating margin	15.7%	(0.8)pt		

LFL REVENUE LESS PASS-THROUGH COSTS GROWTH



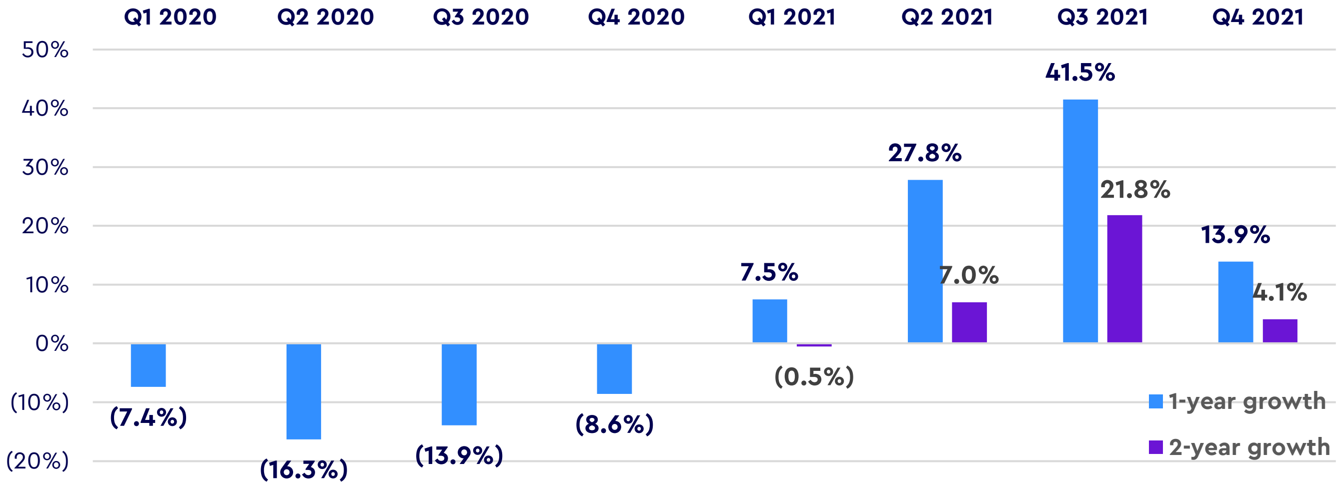
PERFORMANCE REVIEW

- Sustained demand for strategic comms services
- H+K and Specialist PR growing strong double-digit LFL
- BCW performance accelerating
- SVC transaction completed before year-end
- Margin down slightly on very strong 2020

SPECIALIST AGENCIES: UNDERLYING DEMAND REMAINS STRONG

£M	FY 2021 £M	Δ REPORTED	Δ VS 20 LFL	Δ VS 19 LFL
Revenue less pass-through costs	849	19.0%	21.8%	7.8%
Headline operating profit	135	127.5%		
Headline operating margin	15.9%	+7.6pt		

LFL REVENUE LESS PASS-THROUGH COSTS GROWTH



Note: 2020 growth rates have not been restated for the reassignment of AKQA, Geometry, GTB and International Healthcare from Specialist Agencies to Global Integrated Agencies from Q1 2021

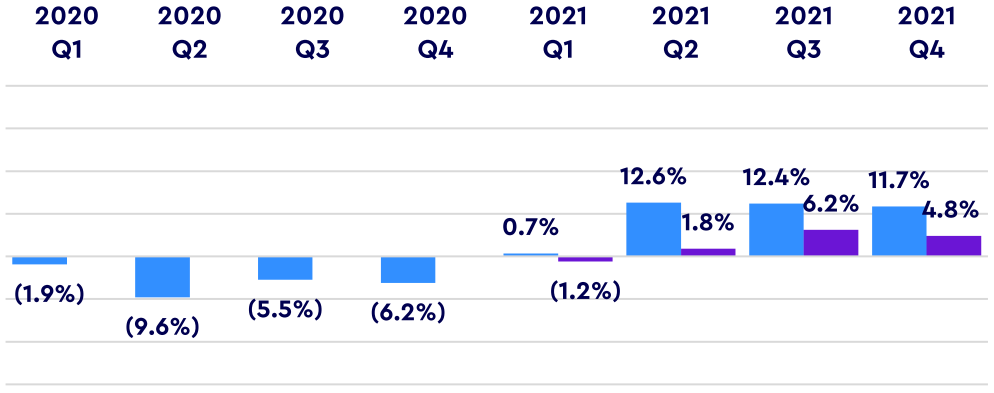
PERFORMANCE REVIEW

- Continued good growth, normalising after significant contribution from COVID contract
- Brand Consulting and CMI maintained double-digit growth in Q4
- Margin driven by very strong top line growth

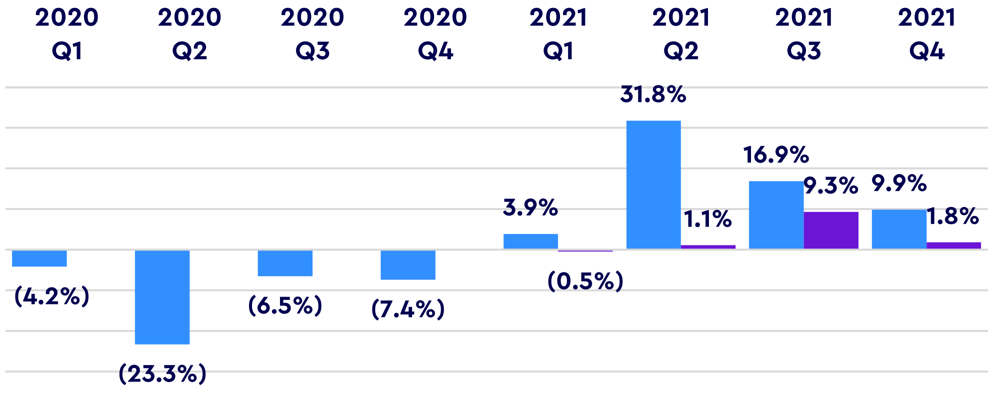
MAJOR MARKETS PERFORMANCE[1]

1-year growth
2-year growth

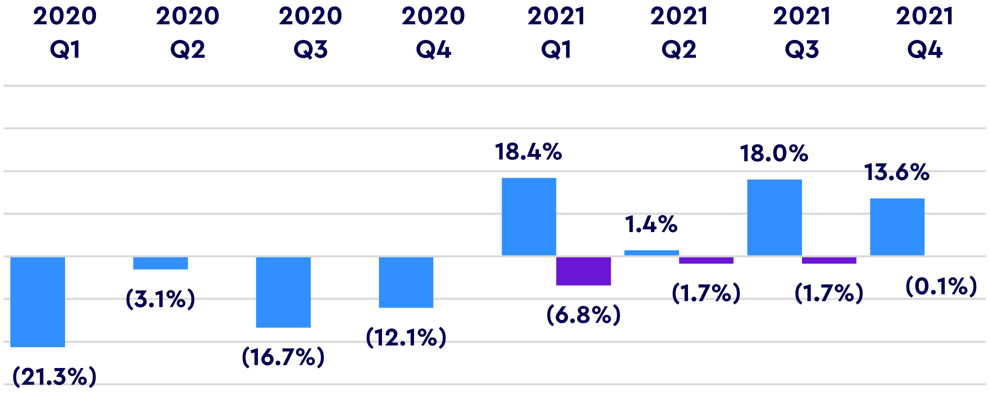
USA



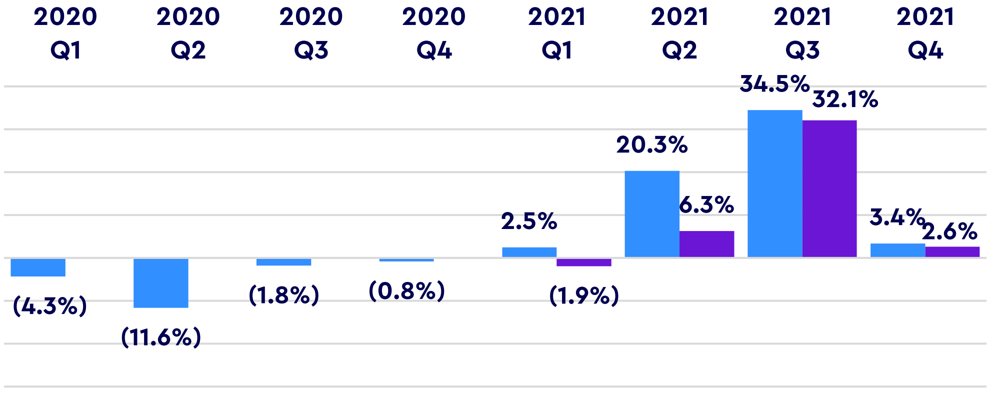
UK



GREATER CHINA[2]



GERMANY



1. Like-for-like revenue less pass-through costs growth vs prior year from continuing operations
2. Includes Hong Kong and Taiwan

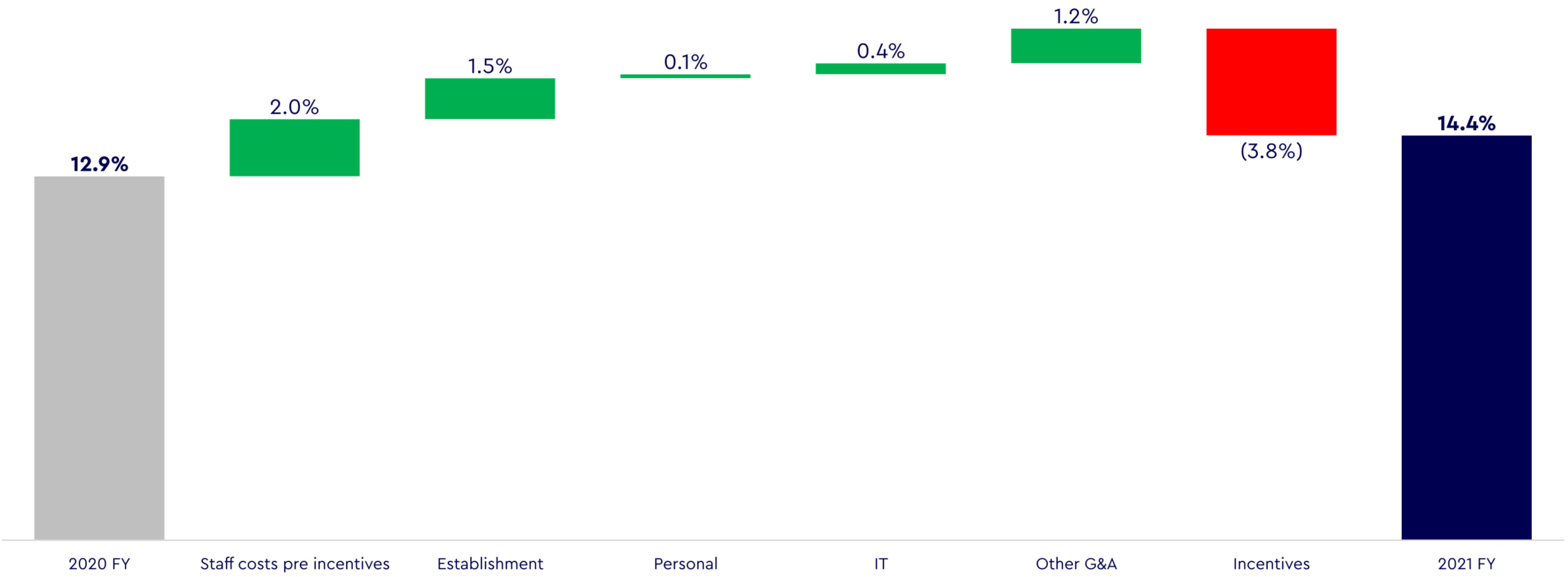
CHANGE IN HEADLINE[1] OPERATING MARGIN

	2021	2020	Δ	
YEAR TO 31 DECEMBER	**£M**	**£M**	**£M**	**%**
Revenue less pass-through costs	**10,397**	**9,762**	**635**	**6.5%**
Staff costs pre incentives	(6,574)	(6,371)	(203)	(3.2%)
Establishment	(529)	(638)	109	17.1%
IT	(578)	(581)	3	0.5%
Personal	(132)	(137)	5	3.8%
Other operating expenses	(498)	(589)	91	15.4%
Operating expenses	**(8,311)**	**(8,316)**	**5**	**0.1%**
Operating profit pre incentives	**2,086**	**1,446**	**640**	**44.3%**
Staff incentives	(592)	(185)	(407)	(220%)
Operating profit	**1,494**	**1,261**	**233**	**18.5%**
Operating profit margin				
Pre incentives	20.1%	14.8%	5.3pt	
Post incentives	14.4%	12.9%	1.5pt	

- Staff costs excluding incentives up 3.2%, mainly salary-driven
- Establishment costs down by 17.1%: campus programme benefits
- IT flat due to investments
- Personal expenses down by 3.8% due to reduced travel in H1
- Other operating expenses down by 15.4%
- Headline operating profit pre incentives up 44.3%, with pre incentive margin of 20.1% up 5.3 margin points
- Incentives up 220% reflecting level of performance against budget
- Headline operating profit up 18.5%, with margin of 14.4% up 1.5 margin points

1. Figures before goodwill and intangibles charges, gains/losses on step-ups, gains/losses on disposals of subsidiaries and investments, investment and other write-downs, share of exceptional gains/losses of associates, restructuring and transformation costs, restructuring costs in relation to COVID-19 and litigation settlements

CHANGE IN OPERATING MARGIN YEAR-ON-YEAR



ACCELERATING OUR TRANSFORMATION TO INVEST IN GROWTH

A SIMPLIFIED BUSINESS

- 9 more campuses opened, 12 under construction, 17 more in scope. c. £110m savings v 2019
- c. 500 legal entities removed, similar target for 2022
- Significant agency consolidation in smaller markets

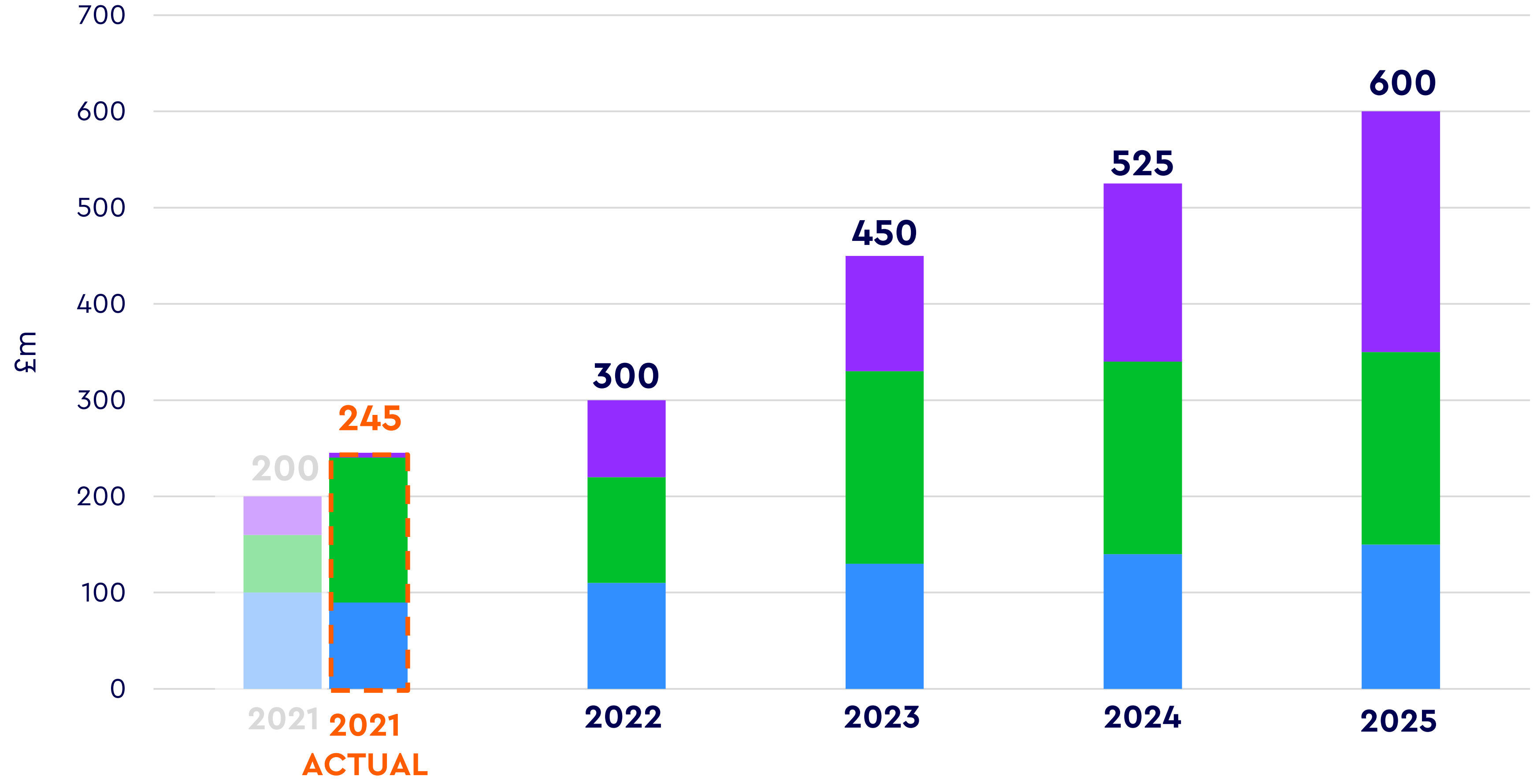
WORLD-CLASS SUPPORT SERVICES

- Leaders hired across key functions: >65% of CFO direct reports and their teams are new to role, >40% new to WPP
- Target operating models defined for IT, Finance and HR
- £40m procurement savings already achieved
- Global/regional shared service centres set up – India, Middle East, Asia, Latam
- Workday deployment delayed to 2022

ACCELERATED CAPABILITIES

- Corporate plan for key growth platforms Choreograph, Xaxis, Finecast, and c. £40m committed to their product innovation
- Enhanced mgmt. insights - enterprise data, client profitability
- Commercial playbook and asset pricing tool
- Career Explorer
- Leveraging acquisitions internally eg AI/Satalia

PROGRESS AGAINST GROSS SAVINGS TARGET



Functional/shared services

- Align enterprise IT systems
- Migration of Finance and HR services to global and regional hubs

Efficiency

- Real estate savings through campus programme
- Optimised procurement

Operating model

- Business unit rationalisation
- Permanent changes to ways of working post-COVID

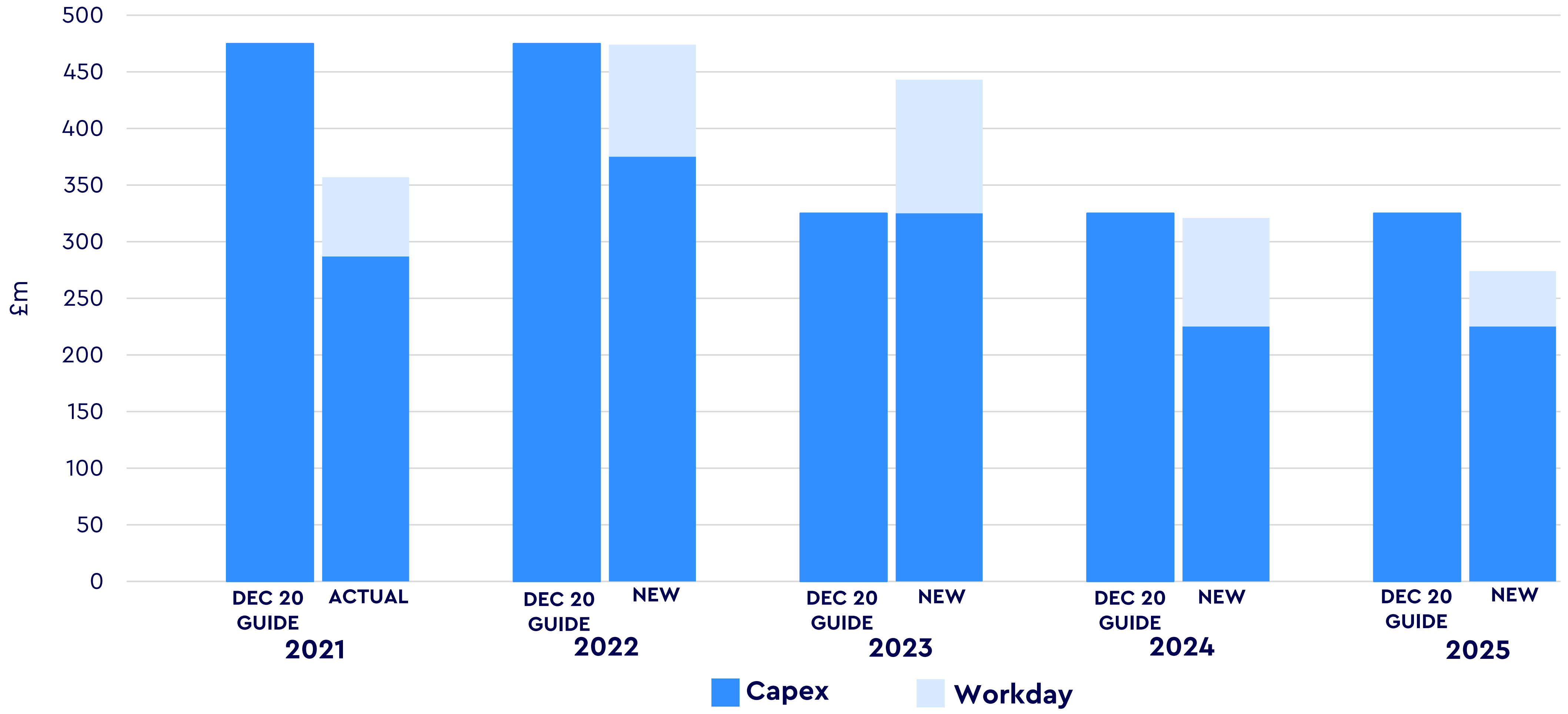
RESTRUCTURING COSTS

	2021	2020	Δ
YEAR TO 31 DECEMBER	**£M**	**£M**	**£M**
Restructuring and transformation costs			
Severance	12	27	15
Establishment & other	40	54	14
Enterprise IT	31	-	(31)
Sub-total	**83**	**81**	**(2)**
Workday	63[1]	-	(63)
Total	**146**	**81**	**(65)**
Restructuring costs relating to COVID			
Severance	1	70	69
Establishment & other	29	163	134
Total COVID-related	**30**	**233**	**203**
Total	**176**	**314**	**138**
Total ex Workday	**113**	**314**	**201**

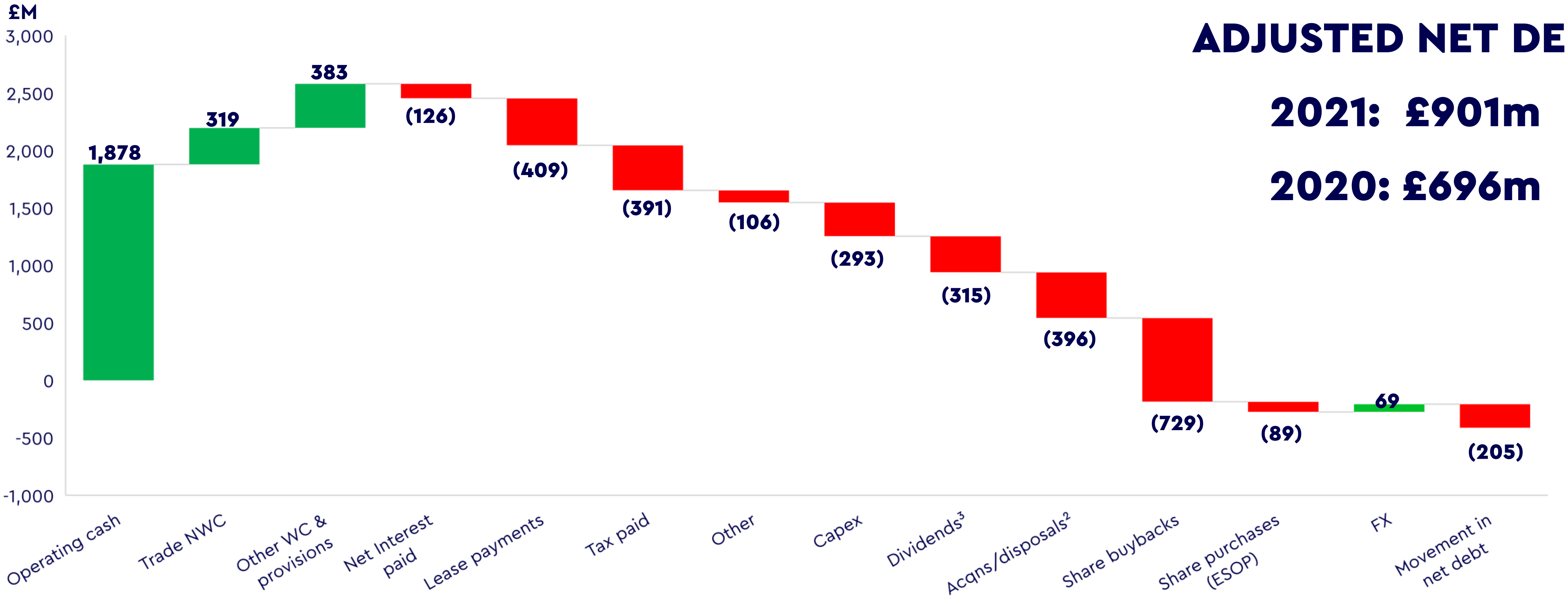
- "Core" restructuring costs of £113m, slightly ahead of previous indications of £70-100m, due to additional IT restructuring
- Workday (ERP) costs reclassified from capex under IFRIC guidance for SaaS
- c. £350m of Workday costs 2022-25 now included in restructuring and transformation, c. £100m in 2022
- Other restructuring/ transformation costs of c. £200-250m 2022-25; c. £120m in 2022

1. Includes £14m that was previously capitalised in 2020

NEW PHASING OF CAPEX AND WORKDAY



STRONG CASH GENERATION, SIGNIFICANT INVESTMENT



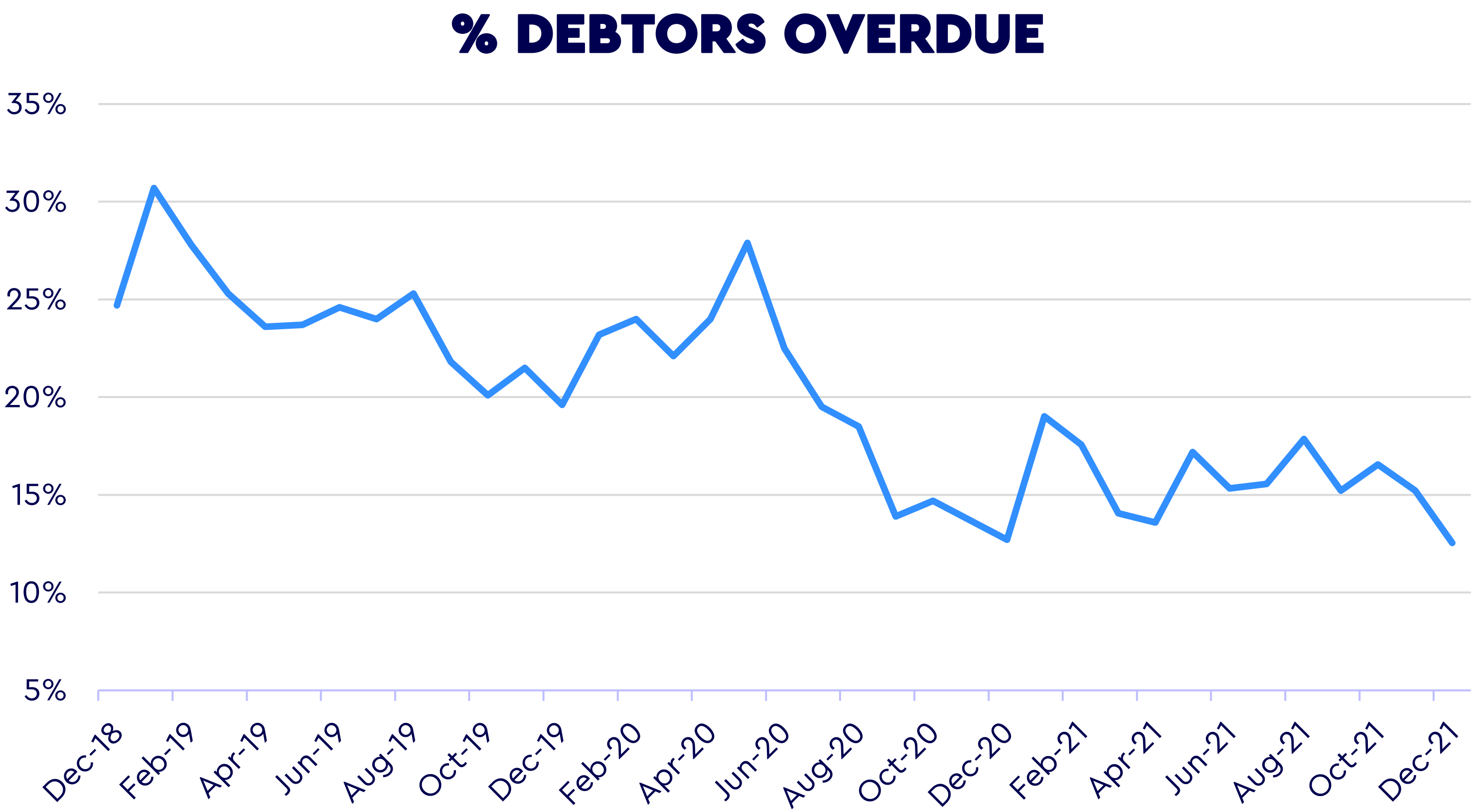
ADJUSTED NET DEBT

2021: £901m

2020: £696m

1 Itemised movements in adjusted net debt represent management figures, which may vary from the presentation of the cash flow under IFRS
2 Acquisitions/disposals exclude earnout payments
3 Dividends to shareholders

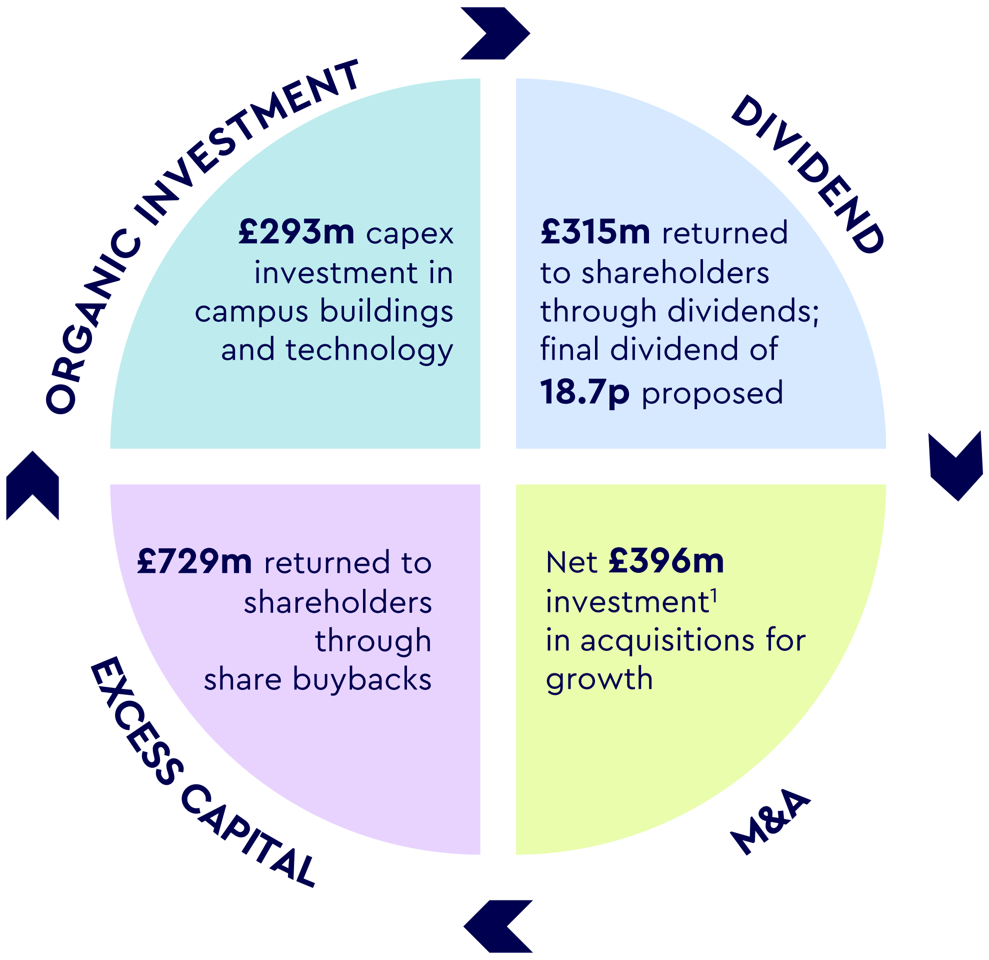
WORKING CAPITAL DRIVEN BY BUSINESS GROWTH: IMPROVEMENT IN OVERDUE DEBTORS MAINTAINED



- Continued discipline on timely billing and collection delivering lower average net debt
- Further scope for improvement
- Overall working capital position driven by strong business performance

ALLOWING SIGNIFICANT INVESTMENT IN GROWTH AND RETURNS TO SHAREHOLDERS

- Cash flow invested in growth, organically and through acquisitions
- Over £1 billion total cash returns to shareholders
- 30% growth in dividend year-on-year
- Strong and flexible balance sheet; FY21 average net debt/EBITDA at 0.9x (comfortably below leverage target of 1.5 – 1.75x)



1. Excludes earnout payments

LEVERAGE METRICS

YEAR TO 31 DECEMBER	2021 £M	2020 £M	Δ £M
Average net debt[1] on constant currency basis	(1,565)	(2,271)	706
Average net debt[1] on reportable basis	(1,565)	(2,331)	766
Net debt[1] at 31 December on constant currency basis	(901)	(627)	(274)
Net debt[1] at 31 December on reportable basis	(901)	(696)	(205)
Available liquidity at 31 December	5,458	6,379	(921)
Headline finance costs[1,2]	(124)	(129)	
Interest cover[1] on headline operating profit	**12.0x**	**9.8x**	
Headline EBITDA[1]	1,751	1,481	
Average net debt/headline EBITDA[1]	**0.9x**	**1.6x**	

1. Net debt, headline finance costs, interest cover, headline EBITDA, exclude impact of IFRS 16
2. Headline finance costs of £124m (2020: £129m) excludes £91m (2020: £101m) IFRS 16 impact of all leases

2022 AND MEDIUM-TERM GUIDANCE

- 2022 guidance:
  - LFL revenue less pass-through costs growth around 5%; foreign exchange c -0.5%, net M&A +0.5-1.0%
  - Headline operating margin up by around 50bps (excluding FX and M&A)
  - Capex £350-400 million, plus c. £100m of Workday deployment costs previously in capex guidance and now classified as restructuring/transformation costs
  - Trade working capital around flat year-on-year
  - c. £800 million of share buybacks
  - Headline tax rate (based on headline PBT *including* associates) around 25.5%

- Medium-term guidance unchanged. From 2023:
  - Revenue less pass-through costs growth of 3-4%, comprising 2.5-3% LFL growth and 0.5-1% contribution from M&A
  - Headline operating margin of 15.5-16.0%

STRATEGIC PROGRESS

OFFER TRANSFORMED, STRONG MOMENTUM

Structural drivers

- Still in the early stages of the digital and commerce wave
- Media, creative, data and technology increasingly integrated
- Clients reinvesting in marketing for growth

Competitiveness

- Improving client satisfaction
- Creative leader – Cannes and WARC
- #1 global media buyer
- Data and technology investments
- Strong new business performance

Relevance

- Digital transformation, reputation, ecommerce, social media, data, privacy all critical business issues
- "Creative" agencies with transformed offer
- Growing capabilities through organic investment and M&A

PURPOSE AT THE HEART OF OUR OFFER

OUR MEMBERSHIPS AND PLEDGES

- ENVIRONMENTAL
- SOCIAL
- GOVERNANCE

OUR RANKINGS

Ecovadis silver rating and the 93rd centile

MSCI: AA rating

Foundation's Corporate Equality Index: scored 100% in 2020

Bloomberg Gender Equality Index: industry leader four years in a row

10th in the FTSE 100 Rankings for Women on Boards

Tortoise media Responsible Business Index: ranked 25th

CDP climate change: rated A-

PEOPLE AT THE HEART OF OUR BUSINESS

Looking after our people

- Launched our **Mental Health Allies** programme providing mental health training to 500 colleagues across the UK and US
- Invested in a further 9 **campuses**, creating world-class work and social spaces; most recently opened our second London campus, Rose Court
- Reinvested in **incentives** to reward talent and reflect exceptional performance

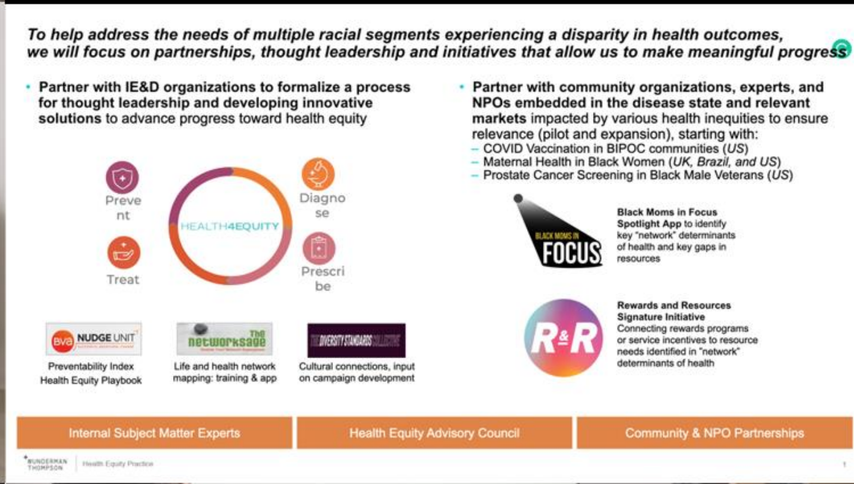
Developing our people

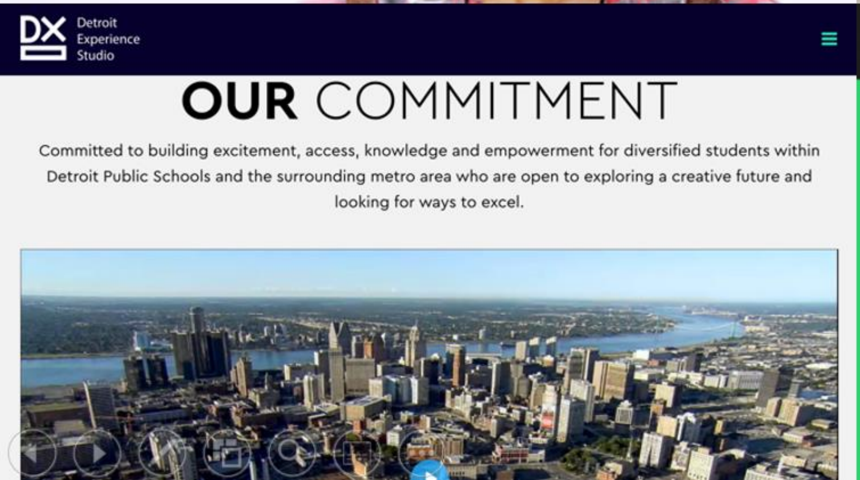
- Democratised mobility through our **Career Explorer** platform
- Nurtured early career talent through our **NextGen Leaders** learning series (1,400 participants)
- Leveraged tech partners to develop new **training programmes** including: Amazon ecommerce bootcamp (2,900 participants); TikTok training academy (5,200+); Snap AR Lab (700)

Driving balance and diversity

- Launched **Unite, WPP's first company-wide LGBTQ+ community**, live in UK, North America, India and Hong Kong; WPP named among Best Places to Work for LGBTQ+ Equality
- **Gender diversity** amongst leaders: 39% female senior leadership
- **Broadened talent search**, working with talent networks such as the LAGRANT Foundation and Brixton Finishing School
- $30 million commitment for **racial equity**

DE&I AND RACIAL EQUITY PROGRAMME





EXPERIENCE, COMMERCE AND TECHNOLOGY DRIVE GROWTH IN OUR INTEGRATED CREATIVE AGENCIES

VMLY&R

- **32 Cannes Lions** (inc. Grand Prix)
- **Global Ad Network of the Year** by both Campaign and The Drum
- Campaign **Global Best Creative Network**
- **Global Marketing Agencies Leader,** Gartner[2]

AKQA GROUP

- **51 Cannes Lions** (inc. Design Grand Prix)**, 19 D&AD Awards**
- **#1 Creative Effectiveness** WARC
- **16 Clio** Entertainment awards
- **Winner**, Fast Company World Changing Idea award
- **Global Marketing Agencies Leader** for ninth year, Gartner[2]

WUNDERMAN THOMPSON

- **27 Cannes Lions** (inc. Innovation Grand Prix)
- Integrated Marketing Agency of the Year, **Campaign UK**
- **Global Marketing Agencies Leader** for third year, Gartner[2]
- **Leader in Commerce Services**, Forrester[3]
- **Key talent:** Audrey Melofchik (CEO NA), Shamsuddin Jasani (CEO South Asia)

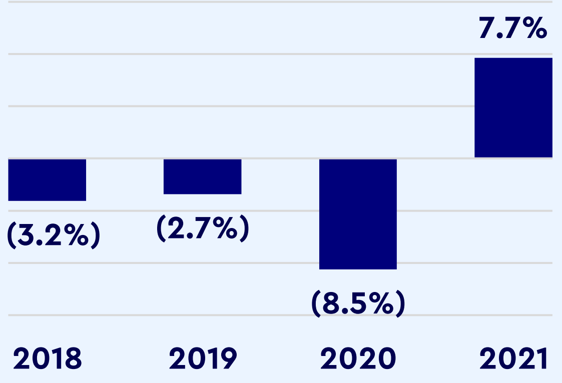
Ogilvy

- **81 Cannes Lions**
- **#1 Creative Agency** WARC Creative 100
- **Global Marketing Agencies Leader** for sixth year, Gartner[2]
- **Loyalty Service Providers Leader**, Forrester[4]
- **Key talent:** Liz Taylor (CCO), Devika Bulchandani (Global President)

CANNES LIONS — Holding Company of the year

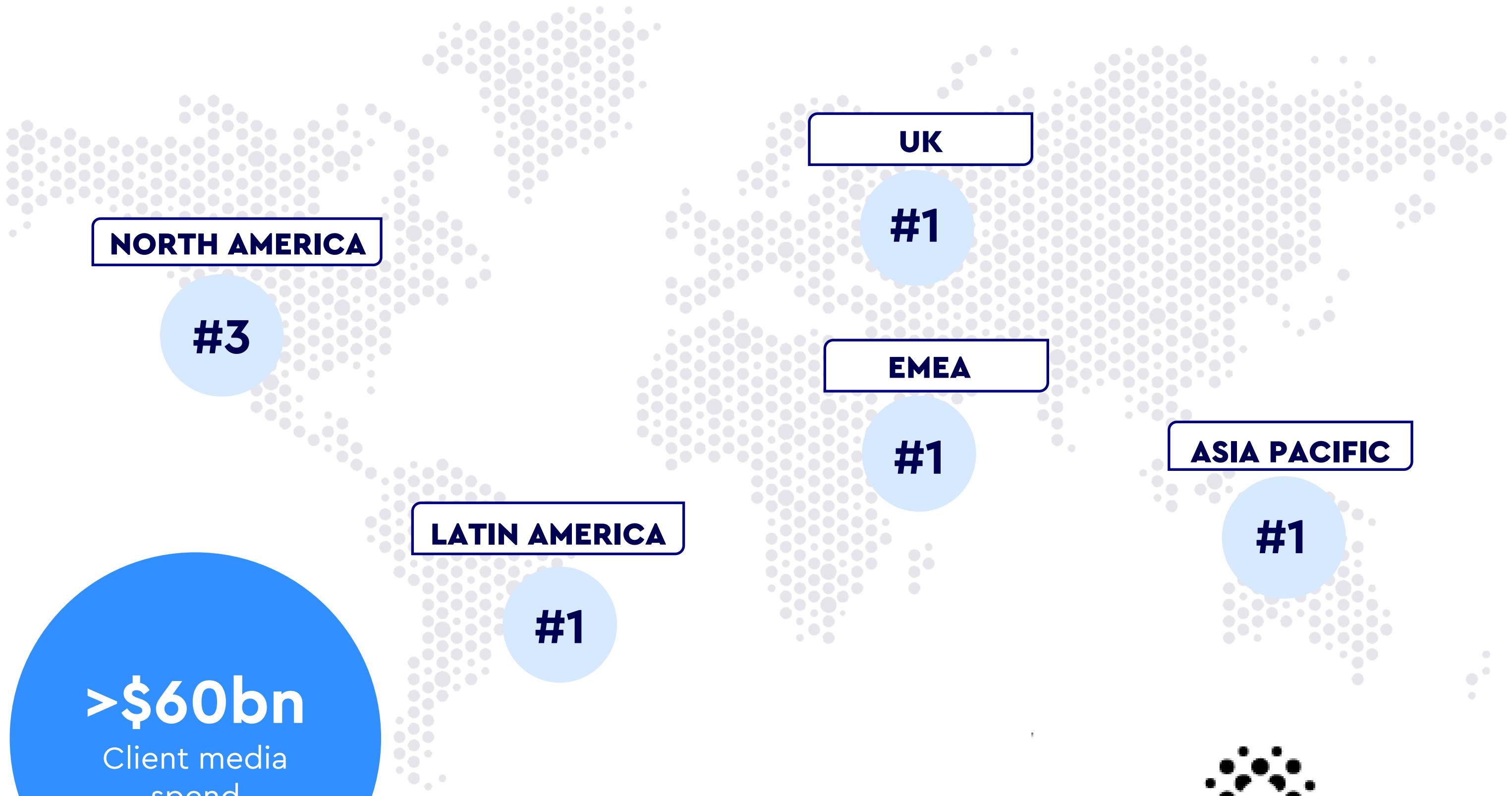
WARC — #1 Creative 100, #1 Media 100, #1 Effective 100

GIA ex. GroupM growth[1]



1. LFL revenue less pass-through costs growth
2. Gartner's Magic Quadrant for Global Marketing Agencies 2021
3. Forrester Wave: Commerce Services Q1 2021
4. Forrester Wave: Loyalty Service Providers Q3 2021

GLOBAL SCALE, DIGITAL EXPERTISE AND PRODUCT INNOVATION DRIVE MEDIA SUCCESS



>$60bn
Client media spend

groupm

choreograph

- Global and local scale fundamental to success
- Increasing integration of creative, media and data
- 7.4% 2-year LFL growth
- 43% digital mix
- Commerce billings +41%
- Finecast +81%
- Xaxis +33%
- Choreograph in 10 markets

1. Ranked on the basis of 2020 media billings.
Source: COMvergence 2020 Billings Rankings and Market Share reports

DEMAND FOR STRATEGIC COMMUNICATIONS BENEFITING PR

- Finsbury Glover Hering/SVC: creating a leading global strategic communications firm
- Reputation and purpose increasingly important to our clients; 2.5x brand value for brands perceived to have a high positive impact on society[1]
- Public relations services increasingly part of integrated pitches

1. Kantar Purpose 2020 Report

EXPERIENCE, COMMERCE, TECHNOLOGY ALSO BOOSTING SPECIALIST AGENCIES

LANDOR & FITCH

superunion

CMI MEDIA GROUP

- Experience, commerce, technology 58% of mix in 2021
- Resurgence in demand for brand consulting
- Sustainability a growing priority in innovation and branding
- Acceleration in growth within our specialist healthcare media business, CMI

KEY ACQUISITIONS IN 2021

- dti digital crafters
- SATALIA
- MADE THOUGHT
- Cloud Commerce Group – Omnichannel eCommerce Solutions

SIGNIFICANT WINS AND RETENTIONS: VOLUME AND VALUE

R3 WORLDWIDE

2021 NEW BUSINESS LEAGUE HOLDING GROUP RANKING

Global / 2021

RANK	HOLDING GROUP	ESTIMATED CREATIVE YTD REVENUE (USD $m)	ESTIMATED MEDIA YTD REVENUE (USD $m)	ESTIMATED OVERALL YTD REVENUE (USD $m)	AS % OF 2020 REVENUE	NO.OF WINS
1	WPP	838.6	684.2	1522.8	9.9%	2,140
2	Publicis Groupe	233.1	326.3	559.4	5.4%	899
3	Omnicom	237.1	266.5	503.6	3.9%	859
4	Interpublic	212.2	101.7	314.0	3.3%	632

STRATEGIC PARTNERSHIP WITH THE COCA-COLA COMPANY

Coca-Cola

ACROSS 200 MARKETS, 9 REGIONS, FOR 200 BRANDS; SCOPE INCLUDES:

CREATIVE, EXPERIENCE & DESIGN	DATA	MEDIA	PRODUCTION	TECHNOLOGY	SOCIAL	PR
70% of global creative work (all WPP creative agencies)	(Choreograph)	92% of all global media	100% translation and transcreation work globally	Expansive technology deployment at the heart of the transformation	Social and CIC deployment in all regions	Brand PR

From		To
Data poor	›	Data driven
One model for all	›	Models matched to categories
Ads & Sponsorship	›	Experiences, Open Source Creative Excellence
Linear development	›	Collapsed decision making

"This new agency approach gives us access to **the best creative minds**, regardless of source, as **underpinned by leading edge data and technology capabilities**."

James Quincey, Group Chairman and CEO, TCCC
TCCC Fourth Quarter Earnings Conference Call

FINALLY, THE METAVERSE IS A FERTILE NEW GROUND FOR CREATIVE TRANSFORMATION

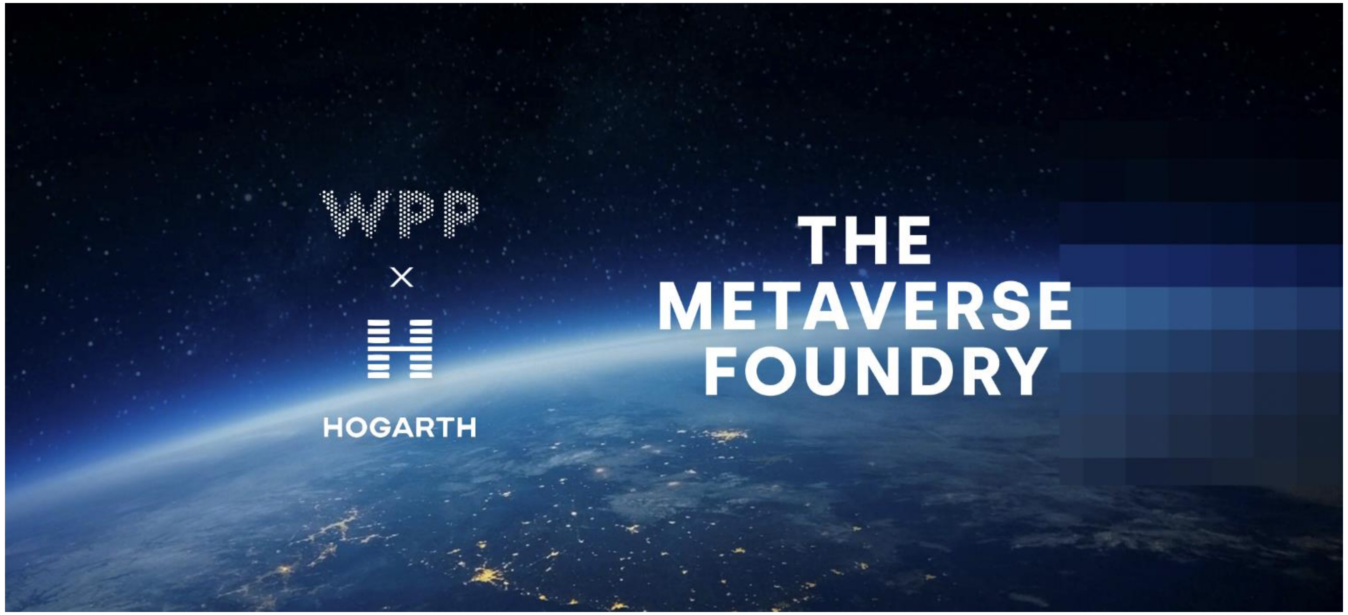
VIRTUAL WORLDS

AUGMENTED REALITY

NFTS

BLOCKCHAIN & WEB3

AND WE HAVE UNRIVALLED SCALE AND EXPERTISE TO HELP SHAPE OUR CLIENTS' METAVERSE STRATEGY



ACCELERATING OUR GROWTH: PRIORITIES

SUMMARY

- 2021 was a marquee year, well beyond a cyclical recovery
- Our strategy is delivering results for our people, clients and shareholders
- We enter 2022 well-positioned in high-growth markets
- We have the financial firepower to invest in future growth through talent, capabilities and targeted M&A, while rewarding shareholders today
- Our transformation programme gives us significant potential for efficiency and reinvestment for growth

Q&A

CONTACTS AND FURTHER RESOURCES

PEREGRINE RIVIERE

Group Investor Relations Director
peregrine.riviere@wpp.com
Tel: +44 (0) 7909 907 193

CAITLIN HOLT

Investor Relations Senior Manager
caitlin.holt@wpp.com
Tel: +44 (0) 7392 280 178

WPP INVESTOR RELATIONS

investor@wpp.com

INVESTOR WEBSITE

www.wpp.com/investors

WPP IQ

WPP's industry intelligence platform
www.wpp.com/wpp-iq

"THIS WEEK, NEXT WEEK" PODCAST

GroupM's Business Intelligence team discusses latest news and research in media and marketing
Listen here

SOCIAL CHANNELS

OTHER FINANCIAL INFORMATION

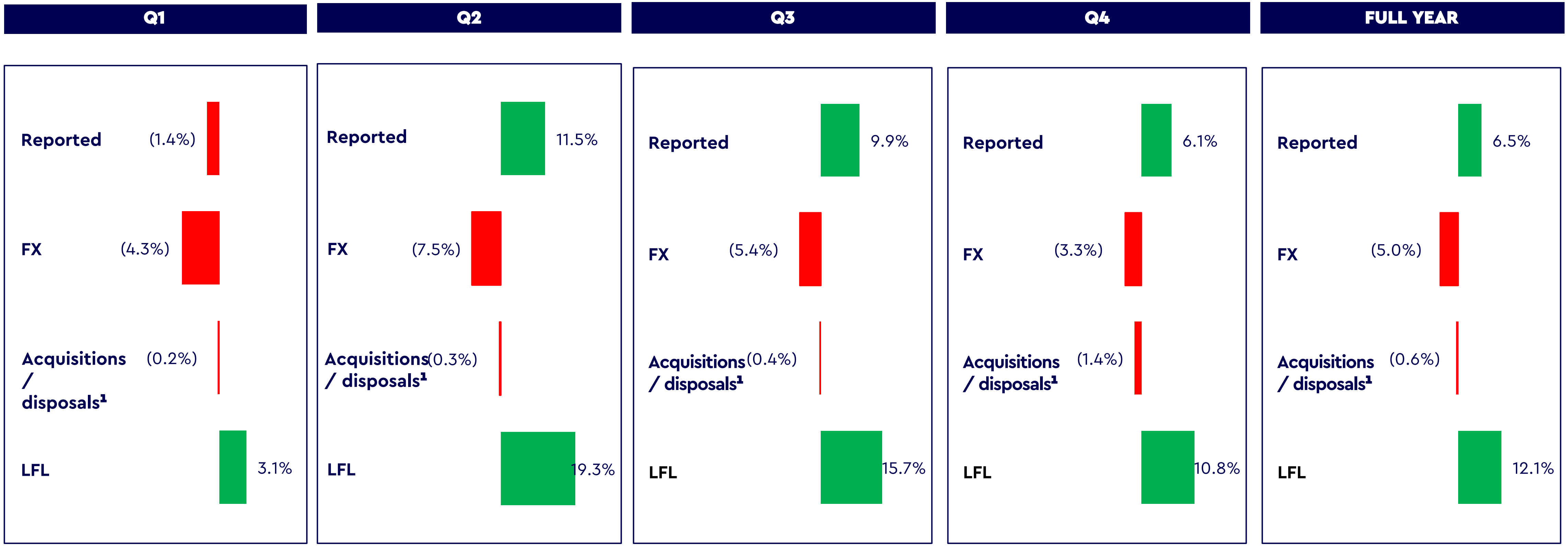
UNAUDITED IFRS INCOME STATEMENT

YEAR TO 31 DECEMBER		2021 £M	2020 £M[1]	Δ REPORTED	Δ CONSTANT CURRENCY
Continuing operations					
Revenue		12,801	12,003	6.7%	11.6%
Gross profit		2,204	2,015	9.4%	14.6%
Operating profit pre exceptional & goodwill/intangibles[2]		**1,494**	**1,261**	**18.5%**	**25.0%**
Net exceptional loss		(165)	(627)		
Goodwill/intangible charges		(100)	(2,912)		
Operating profit/(loss)		**1,229**	**(2,278)**	**(154%)**	**(156%)**
Income from associates		86	10		
Share of associates exceptional loss		(62)	(146)		
PBIT		**1,253**	**(2,414)**	**(152%)**	**(153%)**
Net finance costs		(302)	(377)	(19.8%)	
Profit/(loss) before tax		**951**	**(2,791)**	**(134%)**	**(135%)**
Tax		(230)	(127)	81.0%	
Profit/(loss) after tax		**721**	**(2,918)**	**(125%)**	**(126%)**
Non-controlling interests		(83)	(54)	54.0%	59.2%
Profit/(loss) attributable to shareholders:	**Continuing ops**	**638**	**(2,972)**	**(121%)**	**(122%)**
	Discontinued ops	-	7	-	-
	Total	**638**	**(2,965)**	**(121%)**	**(122%)**
Total reported diluted EPS		**52.5p**	**(242.5p)**	**(122%)**	**(123%)**

1. 2020 figures have been restated as described in note 2 of Appendix 1 to the 2021 Preliminary Results press release
2. Figures before goodwill and intangibles charges, gains/losses on step-ups, gains/losses on disposals of subsidiaries and investments, investment and other write-downs, share of exceptional gains/losses of associates, restructuring and transformation costs, restructuring costs in relation to COVID-19, litigation settlement and revaluation of financial instruments

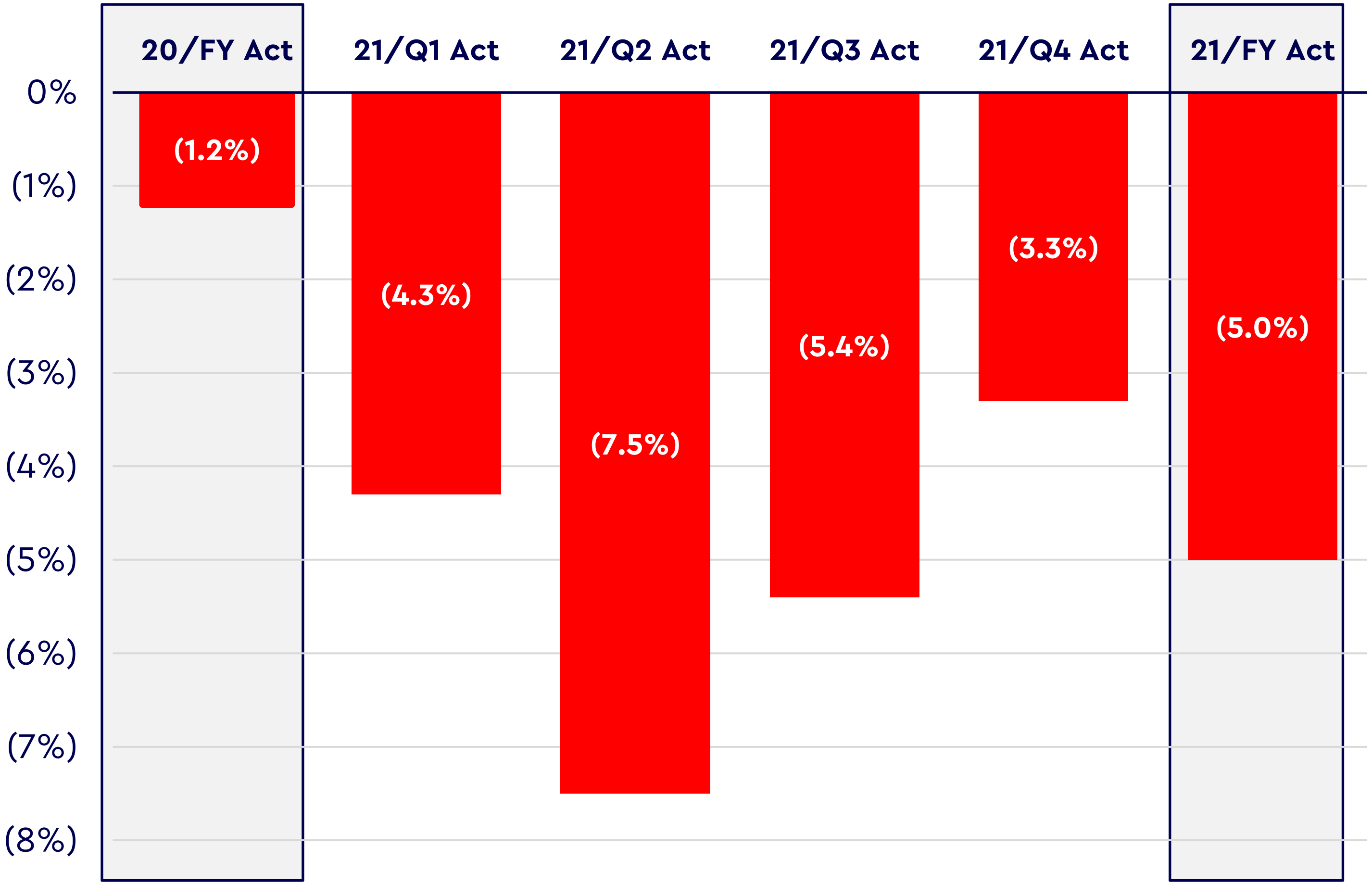
- Share of associate exceptional loss of £62m (2020: £146m) primarily comprise £39m (2020: £54m) of amortisation and impairment of acquired intangible assets and £19m (2020: £89m) of restructuring and one-off transaction costs of within Kantar.
- Net finance costs includes £88m loss (2020: £147m loss) from revaluation and retranslation of financial instruments

REVENUE LESS PASS-THROUGH COSTS GROWTH VS PRIOR YEAR



1. Includes the impact of the reclassification of certain businesses as associates, the impact of which is (1.6%) in Q4 and (0.5%) for the full year

IMPACT OF FX ON REVENUE LESS PASS-THROUGH COSTS[1]



- 2021 full year currency headwind (5.0%)
- 2020 full year headwind (1.2%)

1. Continuing operations

REVENUE LESS PASS-THROUGH COSTS BY SECTOR[1]

YEAR TO 31 DECEMBER	2021 £M	2020 £M[2]	Δ REPORTED	Δ LFL
Global Integrated Agencies	8,638	8,194	5.4%	11.3%
Public Relations	910	854	6.5%	11.5%
Specialist Agencies	849	714	19.0%	21.8%
Total	**10,397**	**9,762**	**6.5%**	**12.1%**

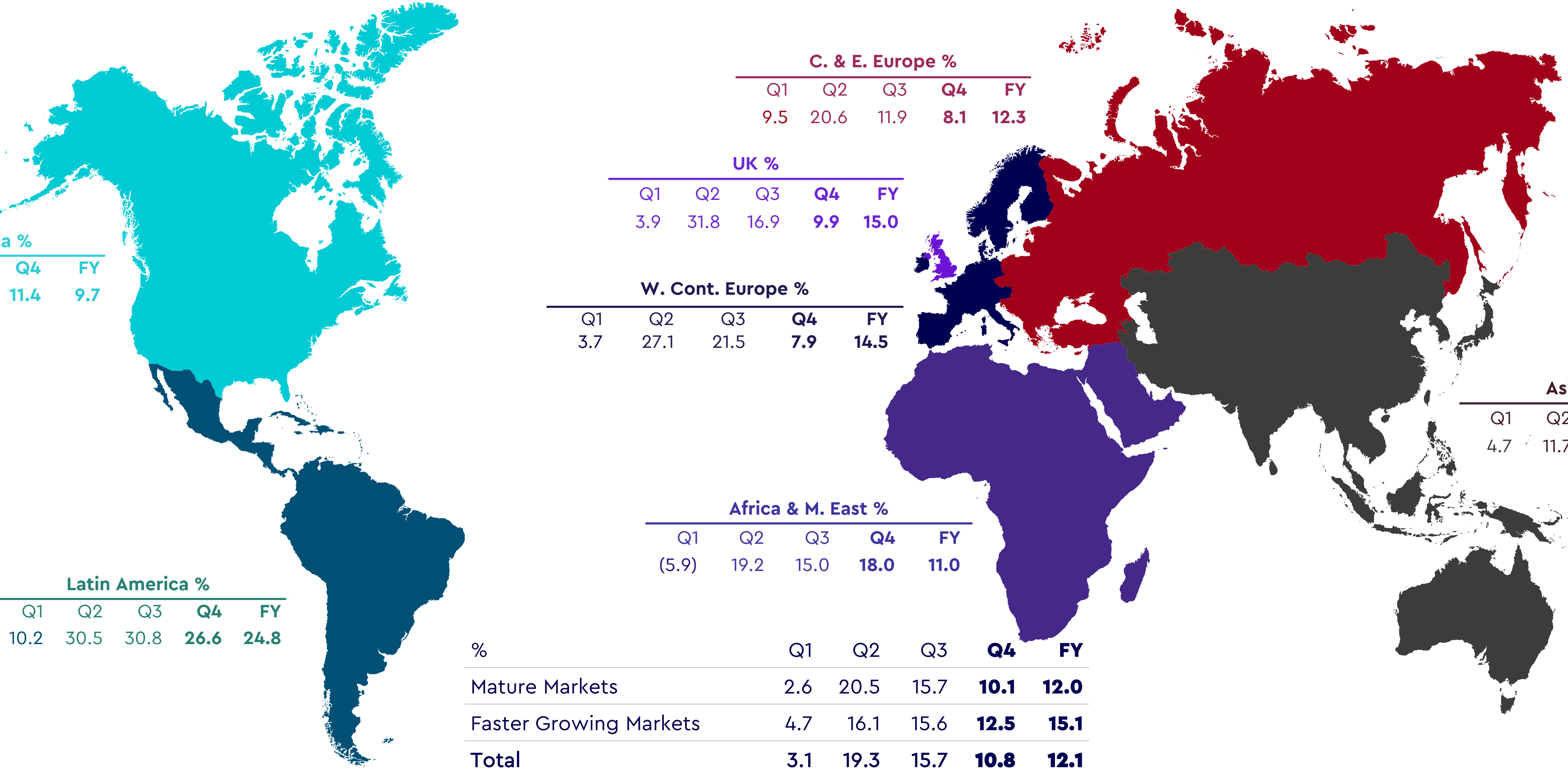
1. Continuing operations
2. During 2020, we announced the intention to combine Grey and AKQA into the AKQA Group, and to bring Geometry and GTB into VMLY&R, and International Healthcare into VMLY&R and Ogilvy. As a result AKQA, Geometry, GTB and International Healthcare are now reported within Global Integrated Agencies, having previously been reported within Specialist Agencies. 2020 comparable figures have been adjusted by a total of £225m to reflect this change

REVENUE LESS PASS-THROUGH COSTS BY REGION[1]

YEAR TO 31 DECEMBER	2021 £M	2020 £M	Δ REPORTED	Δ LFL
North America	3,849	3,744	2.8%	9.7%
UK	1,414	1,234	14.6%	15.0%
Western Continental Europe	2,226	2,019	10.2%	14.5%
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	2,908	2,765	5.2%	12.3%
Total	**10,397**	**9,762**	**6.5%**	**12.1%**

1. Continuing operations

REVENUE LESS PASS-THROUGH COSTS GROWTH[1] BY REGION LIKE-FOR-LIKE %



North America %

Q1	Q2	Q3	**Q4**	**FY**
1.6	13.7	12.2	**11.4**	**9.7**

Latin America %

Q1	Q2	Q3	**Q4**	**FY**
10.2	30.5	30.8	**26.6**	**24.8**

C. & E. Europe %

Q1	Q2	Q3	**Q4**	**FY**
9.5	20.6	11.9	**8.1**	**12.3**

UK %

Q1	Q2	Q3	**Q4**	**FY**
3.9	31.8	16.9	**9.9**	**15.0**

W. Cont. Europe %

Q1	Q2	Q3	**Q4**	**FY**
3.7	27.1	21.5	**7.9**	**14.5**

Africa & M. East %

Q1	Q2	Q3	**Q4**	**FY**
(5.9)	19.2	15.0	**18.0**	**11.0**

Asia Pacific %

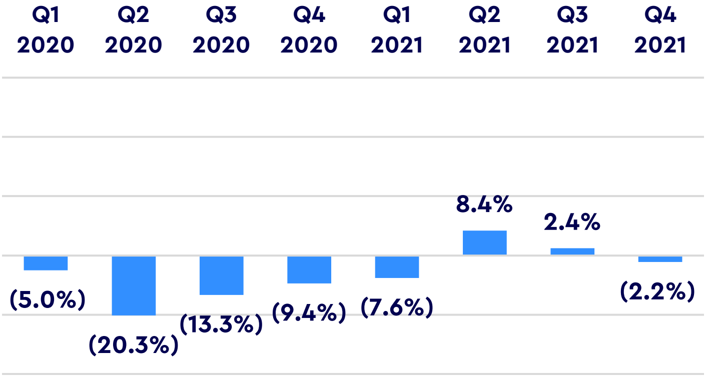
Q1	Q2	Q3	**Q4**	**FY**
4.7	11.7	12.6	**8.7**	**9.5**

%	Q1	Q2	Q3	**Q4**	**FY**
Mature Markets	2.6	20.5	15.7	**10.1**	**12.0**
Faster Growing Markets	4.7	16.1	15.6	**12.5**	**15.1**
Total	**3.1**	**19.3**	**15.7**	**10.8**	**12.1**

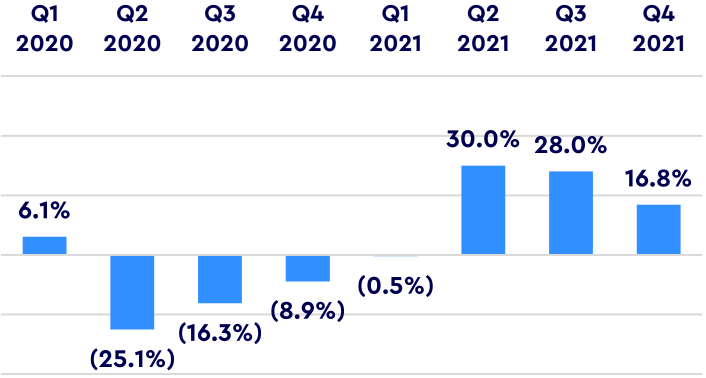
1. Continuing operations

OTHER MAJOR MARKETS PERFORMANCE[1]

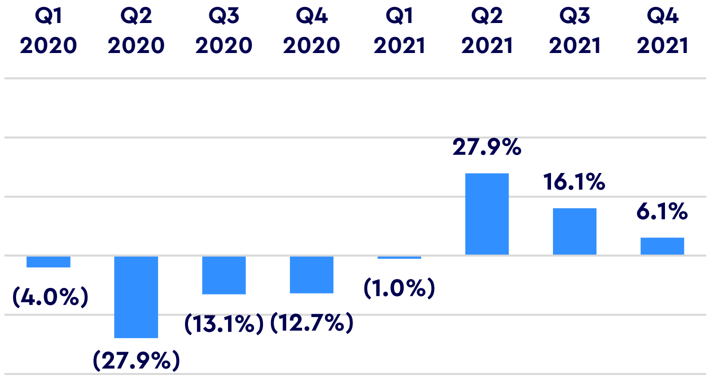
AUSTRALIA



INDIA

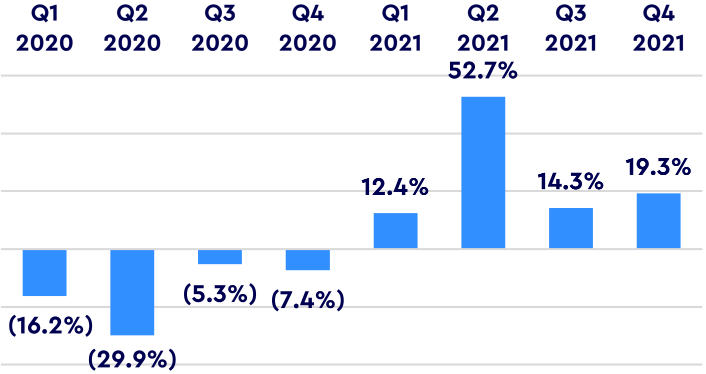


FRANCE

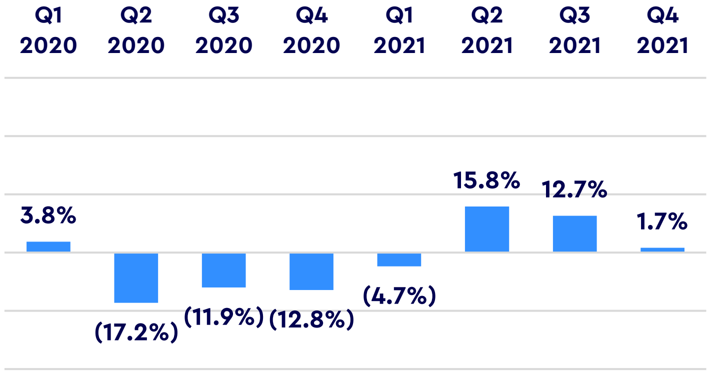


CANADA

ITALY

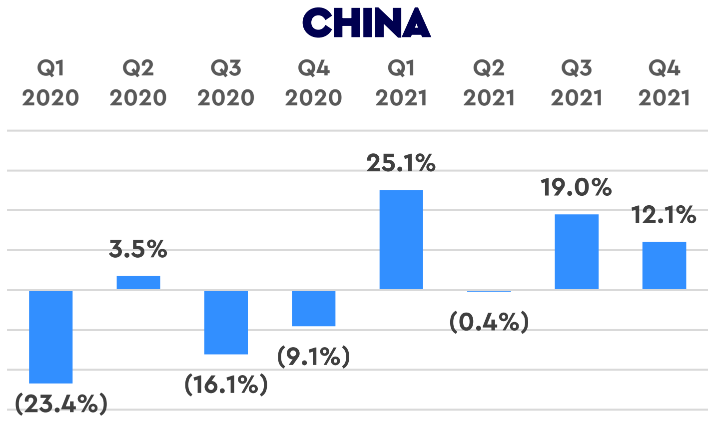


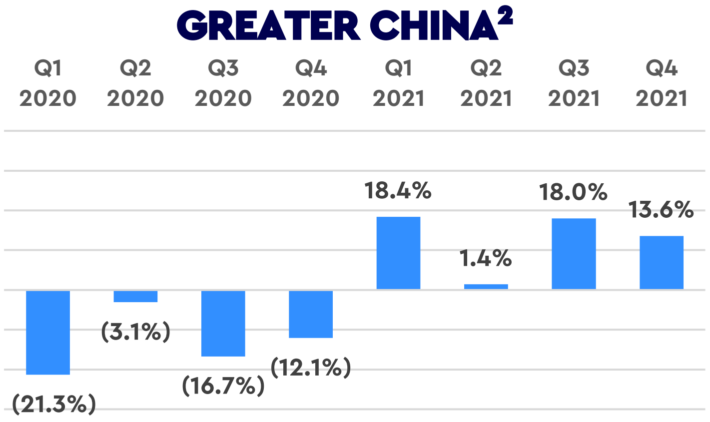
SPAIN

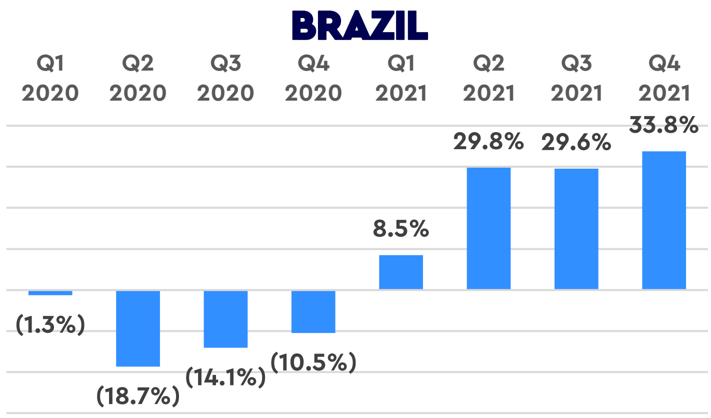


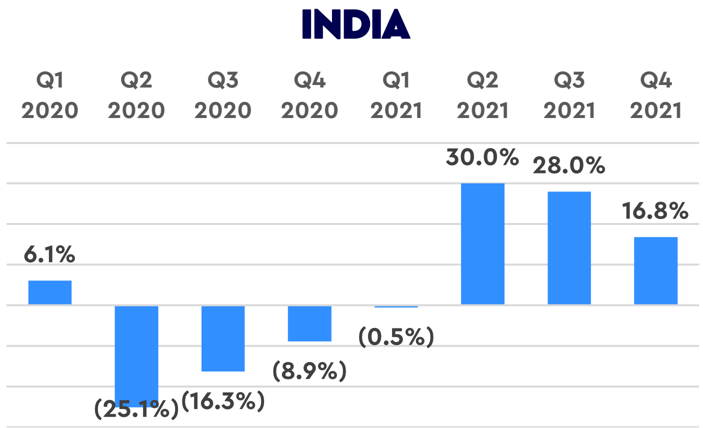
1. Like-for-like revenue less pass-through costs growth vs prior year from continuing operations

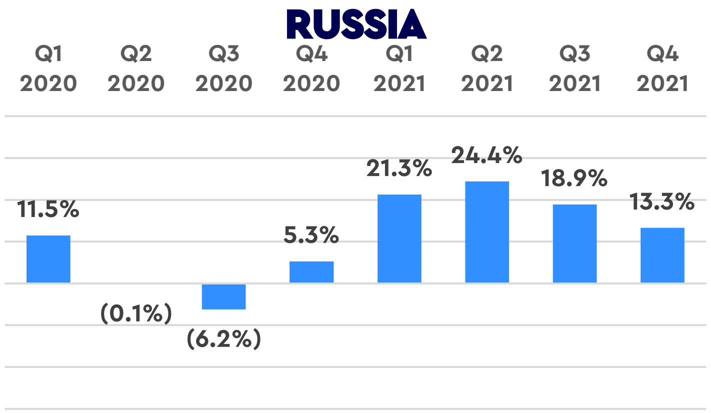
BRIC MARKETS PERFORMANCE[1]







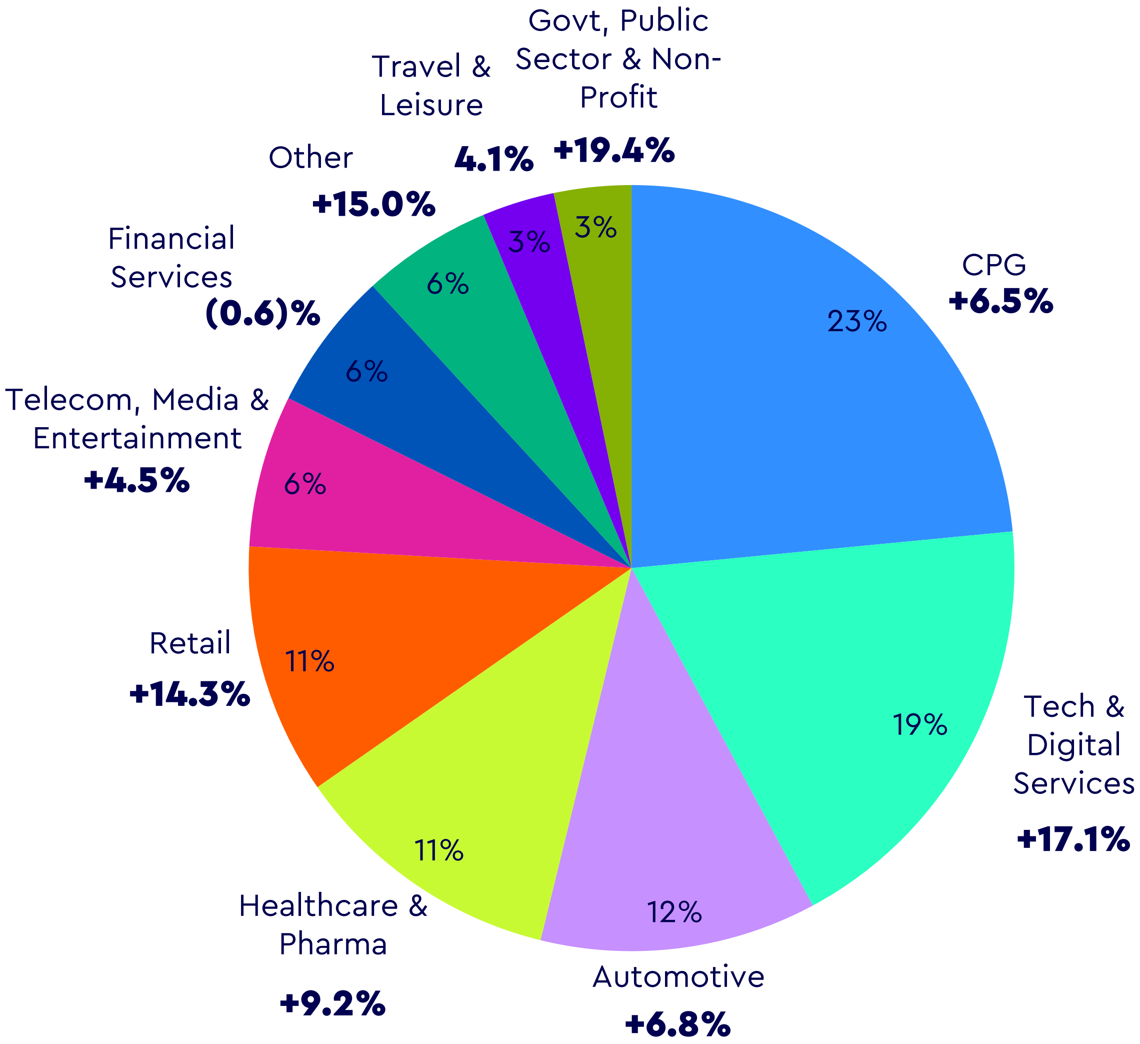




1. Like-for-like growth vs prior year from continuing operations
2. Includes Hong Kong and Taiwan

CLIENT SECTOR ANALYSIS

Full year revenue less pass-through costs growth by client sector



% of total designated clients attributable to each industry for continuing operations for the full year, and includes an allocation of GroupM trading revenue less pass-through costs. These clients comprise 76% of WPP total revenue less pass-through costs

HEADLINE[1] OPERATING PROFIT AND MARGIN BY SECTOR[2]

YEAR TO 31 DECEMBER	OPERATING PROFIT £M		OPERATING MARGIN[3]	
	2021	2020[4]	2021	2020[4]
Global Integrated Agencies	1,216	1,060	14.1%	12.9%
Public Relations	143	142	15.7%	16.5%
Specialist Agencies	135	59	15.9%	8.3%
Total	**1,494**	**1,261**	**14.4%**	**12.9%**

1 Continuing operations
2 Figures before goodwill and intangibles charges, gains/losses on step-ups, gains/losses on disposals of subsidiaries and investments, investment and other write-downs, share of exceptional gains/losses of associates, restructuring and transformation costs, restructuring costs in relation to COVID-19 and litigation settlement
3 Margin as % of revenue less pass-through costs
4 During 2020, we announced the intention to combine Grey and AKQA into the AKQA Group, and to bring Geometry and GTB into VMLY&R, and International Healthcare into VMLY&R and Ogilvy. As a result AKQA, Geometry, GTB and International Healthcare are now reported within Global Integrated Agencies, having previously been reported within Specialist Agencies

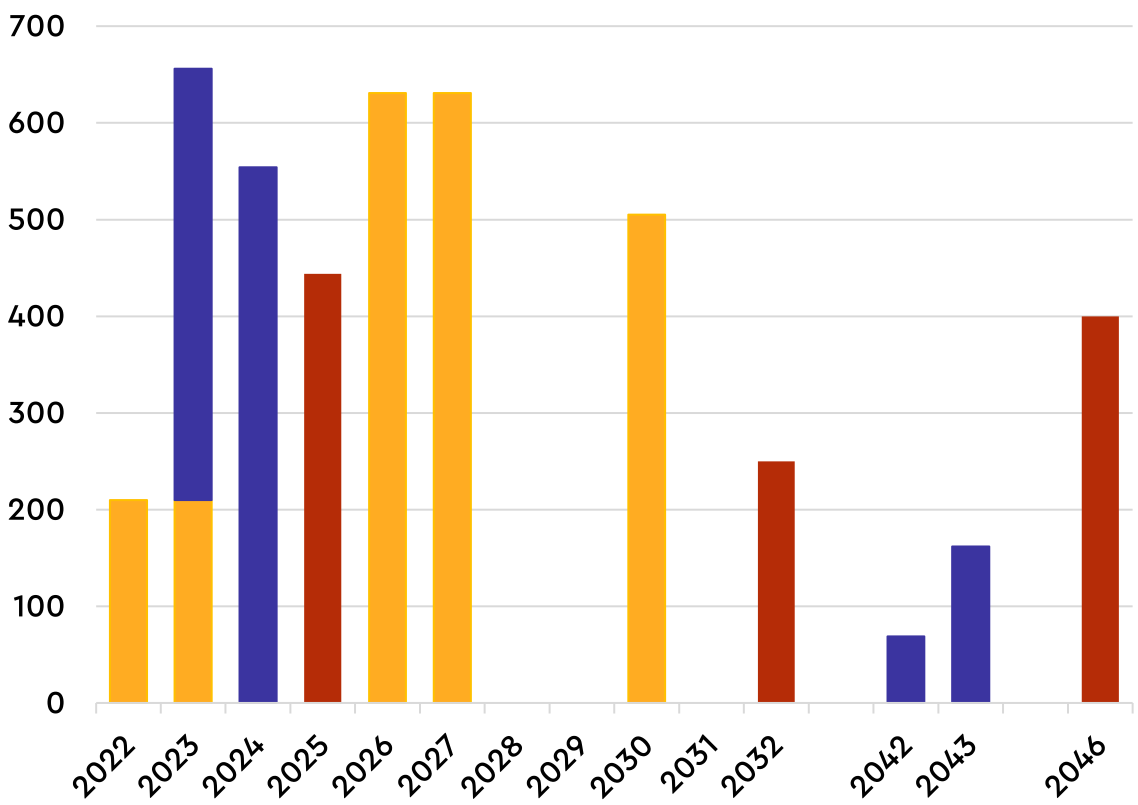
HEADLINE[1] OPERATING PROFIT AND MARGIN BY REGION[2]

YEAR TO 31 DECEMBER	OPERATING PROFIT £M		OPERATING MARGIN[3]	
	2021	2020	2021	2020
North America	656	612	17.0%	16.3%
UK	181	138	12.8%	11.2%
Western Continental Europe	289	199	13.0%	9.8%
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	368	312	12.7%	11.3%
Total	**1,494**	**1,261**	**14.4%**	**12.9%**

1 Continuing operations
2 Figures before goodwill and intangibles charges, gains/losses on step-ups, gains/losses on disposals of subsidiaries and investments, investment and other write-downs, share of exceptional gains/losses of associates, restructuring and transformation costs, restructuring costs in relation to COVID-19 and litigation settlement
3 Margin as % of revenue less pass-through costs

DEBT MATURITY PROFILE £M AT DEC 31, 2021

	£ TOTAL CREDIT	£ TOTAL DRAWN
£ bonds £400m (2.875% Sep '46)	400	400
US bond $220m (5.625% Nov '43)	162	162
US bond $93m (5.125% Sep '42)	69	69
£ bonds £250m (3.75% May '32)	250	250
Eurobonds €600m (1.625% Mar '30)	505	505
Eurobonds €750m (2.375% May '27)	631	631
Eurobonds €750m (2.25% Sep '26)	631	631
Eurobond €500m (1.375% Mar '25)/£444m Swap[1]	444	444
US bond $750m (3.75% Sep '24)	554	554
Eurobonds €750m (3.0% Nov '23)[2]	656	656
Eurobond €250m (3m EURIBOR + 0.45% Mar '22)	210	210
Debt Facilities	**4,512**	**4,512**
Other facilities	1,847	-
Net cash, overdrafts & other adjustments	–	(3,611)
Total Borrowing Capacity / Net Debt	**6,359**	**901**



Weighted Average Coupon 2.8%
Weighted Average Maturity 7.0 years
Available Liquidity £5,458M

Exchange Rates £/$ 1.3532 £/€ 1.1893

1. Swapped to £444m at 2.61%
2. €500m swapped to $604m at 4.03%

NET FINANCE COSTS/(INCOME)

YEAR TO 31 DECEMBER	2021 £M	2020 £M	Δ £M
Net debt interest	**137**	**131**	**(6)**
Lease liabilities	91	101	10
Investment income	(17)	(8)	9
Pensions	4	6	2
Sub-total	**78**	**99**	**21**
Headline finance costs	**215**	**230**	**15**
Financial instruments	87	147	60
Net finance costs	**302**	**377**	**75**

FREE CASH FLOW

YEAR TO 31 DECEMBER		2021 £M		2020[1] £M
Operating profit		**1,229**		**(2,267)**
- Continuing Operations	1,229		(2,278)	
- Discontinued Operations	-		11	
Depreciation & amortisation charges		542		631
- Depreciation & amortisation ex IFRS 16	269		299	
- Depreciation of right-of-use assets	273		332	
Investment and other impairment (reversals)/charges		(1)		3,316
Lease payments (including interest)		(409)		(399)
Non-cash compensation		100		74
Working capital, other receivables, payables and provisions		702		838
- Working capital	319		780	
- Other receivables, payables and provisions	383		58	
Net interest paid & similar charges		(126)		(100)
Tax paid		(391)		(372)
Capital expenditure		(293)		(273)
Earnout payments		(57)		(115)
Other		(31)		(50)
Free cash flow		**1,265**		**1,283**

1. 2020 figures have been restated as described in note 2 of Appendix 1 to the 2021 Interim Results press release

USES OF CASH FLOW

YEAR TO 31 DECEMBER		2021 £M		2020 £M
Free cash flow		**1,265**		**1,283**
Net (acquisitions)/disposals ex earnout payments		(387)		140
- Disposal proceeds	77		284	
- Net initial payments[1]	(464)		(144)	
Net cash flow before distributions		**878**		**1,423**
Distributions to shareholders		(1,134)		(412)
- Dividends	(315)		(122)	
- Share purchases	(819)		(290)	
Net cash flow		**(256)**		**1,011**

1. Net initial payments comprise purchases of other investments (including associates) and non-controlling interests less cash acquired

EFFECTS OF CURRENCY

FULL YEAR	2021	2020	£ STRONGER /(WEAKER)
US$	1.38	1.28	7%
€	1.16	1.12	3%
Chinese Renminbi	8.87	8.85	-
Brazilian Real	7.42	6.61	12%
Australian $	1.83	1.86	(2%)
Canadian $	1.72	1.72	-
Indian Rupee	102	95	7%
Singapore $	1.85	1.77	4%
South African Rand	20.3	21.1	(4%)

- Currency movements accounted for 5.0% decrease[1] in revenue less pass-through costs
- £ stronger against most currencies, particularly the US$

1. Effects of currency on continuing operations

TAXATION

YEAR TO 31 DECEMBER	2021 £M	2020[1] £M	Δ £M
Headline PBT	**1,365**	**1,041**	**324**
Headline tax charge	**328**	**240**	**88**
Headline tax rate	*24.0%*	*23.0%*	
Tax credit on COVID-19 restructuring costs	(7)	(51)	44
Tax credit on restructuring and transformation costs	(38)	(14)	(24)
Tax (credit)/charge relating to gains on disposals of investments and subsidiaries	(32)	3	(35)
Deferred tax relating to gains on disposals of investments and subsidiaries	(20)	(9)	(11)
Deferred tax on amortisation of acquired intangible assets and other goodwill items	(6)	(36)	30
Other	5	(6)	11
Tax charge	**230**	**127**	**103**

1. 2020 figures have been restated as described in note 2 of Appendix 1 to the 2021 Interim Results press release

PENSIONS DEFICIT

YEAR TO 31 DECEMBER		2021 £M		2020 £M
Deficit B/F		**(157)**		**(159)**
Service cost	(13)		(12)	
Plan liabilities interest charge	(12)		(17)	
Funding	17		20	
Interest income on plan assets	10		14	
Return on assets	(29)		57	
Δ valuation assumptions[1]	43		(55)	
Other movements	(2)		(2)	
Movements excluding FX		**14**		**5**
Foreign exchange impact		**6**		**(3)**
Deficit C/F		**(137)**		**(157)**

Asset Allocation	**2021**	**2020**
Bonds & insured annuities	87%	87%
Equities	6%	7%
Other	7%	6%

1 The gain in 2021 is primarily due to a 52 basis point increase in discount rates in 2021 (2.22bp) compared with 2020 (1.70bp)

EARNOUT ACCRUAL[1]

YEAR TO 31 DECEMBER	2021 £M
Accrual B/F	**114**
Earnouts paid	(57)
New acquisitions	83
Revised estimates taken to goodwill	(1)
Revaluations of payments	59
Excluding FX	**198**
Foreign exchange impact	(1)
Accrual C/F	**197**

EXPECTED PAYMENTS	£M
2022	86
2023	24
2024	36
2025	51
2026+	-
Total	**197**

1 The fair value of payments due to vendors (earnout agreements) are recorded at the present value of the expected cash outflows of the obligation.

ORDINARY SHARES - DILUTED

NUMBER SHARES MILLION	2021	2020	Δ
Average Basic	**1,194**	**1,223**	**(2.4%)**
Dilutive Share Options Outstanding	1	-	
Other Potentially Issuable Shares	20	13	
Average Diluted	**1,215**	**1,236**	**(1.7%)**

ORDINARY SHARES - BASIC

NUMBER SHARES MILLION	2021	2020	Δ
1 January	**1,296**	**1,328**	**(2.4%)**
Exercise of Share Options	1	-	
Share cancellation	(73)	(32)	
31 December	**1,224**	**1,296**	**(5.5%)**
Weighted Average	**1,270**	**1,300**	**(2.3%)**
ESOP, Treasury & Other	(76)	(77)	
Average Basic	**1,194**	**1,223**	**(2.4%)**


THANK YOU