

WPP

Results for 2017

London



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1 Results for 2017



Results for 2017

- Reported billings up 0.6% at £55.563bn, -3.9% constant currency and -5.4% like-for-like.
- Reported revenue up 6.1% at £15.265bn, 1.6% constant currency and -0.3% like-for-like.
- Revenue less P-T¹ costs up 6.0% reportable, 1.4% constant currency and -0.9% like-for-like.
- Reported headline EBITDA up 4.7% at £2.534bn, 1.2% constant currency.
- Reported headline PBIT up 4.9% at £2.267bn, 1.5% constant currency.
- Reported revenue less P-T¹ costs margin of 17.3% down 0.1 margin points, flat constant currency and like-for-like, in line with revised full year margin target.
- Headline diluted EPS up 6.4% at 120.4p, 2.7% constant currency.
- Dividends per share of 60.0p, up 6.0%, pay-out ratio of 50% in line with target.

¹ The Group has changed the description of 'net sales' to 'revenue less pass-through (P-T) costs' based on the upcoming adoption of new accounting standards and recently issued regulatory guidance and observations. There has been no change in the way that this measure is calculated.

Results for 2017

- Average constant currency net debt up £584m to £5.143bn, reflecting significant net acquisition spend, share buy-backs and dividends. Average net debt to EBITDA ratio 2.0x, top-end of target range 1.5-2.0x.
- Share buy-backs £504m (2.5% of share capital) up from £427m (2.0%) last year. Target 2.0-3.0%.
- Net new business \$6.330 billion in year continues good overall performance seen in first nine months and leading positions in net new business tables.
- ROE 16.9% up strongly from 16.2%, compared to lower WACC of 6.3%.



Results for 2017

Headline¹ Performance versus Consensus

£ million	Actual Results	Consensus Median ²	£
Revenue less P-T ³ costs	13,140	13,188	(48)
EBITDA	2,534	2,556	(22)
PBIT	2,267	2,290	(23)
Net finance costs	(174)	(181)	7
PBT	2,093	2,109	(16)
Diluted EPS	120.4p	119.8p	0.6p
Revenue less P-T ³ costs Margin	17.3%	17.4%	-0.1 ⁴

¹ Figures before goodwill and intangibles charges, gains/losses on step-ups, gains/losses on disposals of subsidiaries and investments, investment write-downs, share of exceptional gains/losses of associates, restructuring costs and revaluation of financial instruments

² Median consensus as at 26 February 2018

³ Revenue less pass-through costs, previously net sales

⁴ Margin points

Results for 2017

Summary Headline¹ Results at a Glance

Year to 31 December	2017	2016	% Change	
			Reported	Constant Currency
Revenue £m	15,265	14,389	6.1	1.6
Revenue less P-T ² costs £m	13,140	12,398	6.0	1.4
Revenue less P-T ² costs Margin	17.3%	17.4%	-0.1	+0.0
PBIT £m	2,267	2,160	4.9	1.5
EBITDA £m	2,534	2,420	4.7	1.2
Tax Rate	22.0%	21.0%	-1.0	
Diluted EPS	120.4p	113.2p	6.4	2.7
Dividend per share	60.0p	56.6p	6.0	6.0
Average Net Debt £m	(5,143)	(4,340)	-18.5	-12.8
Average Net Debt/EBITDA	2.0x	1.8x		
Average Headcount ³	134,428	136,409	1.5	
Closing Headcount ³	134,413	136,775	1.7	
Enterprise Value/EBITDA	8.8x	11.8x		

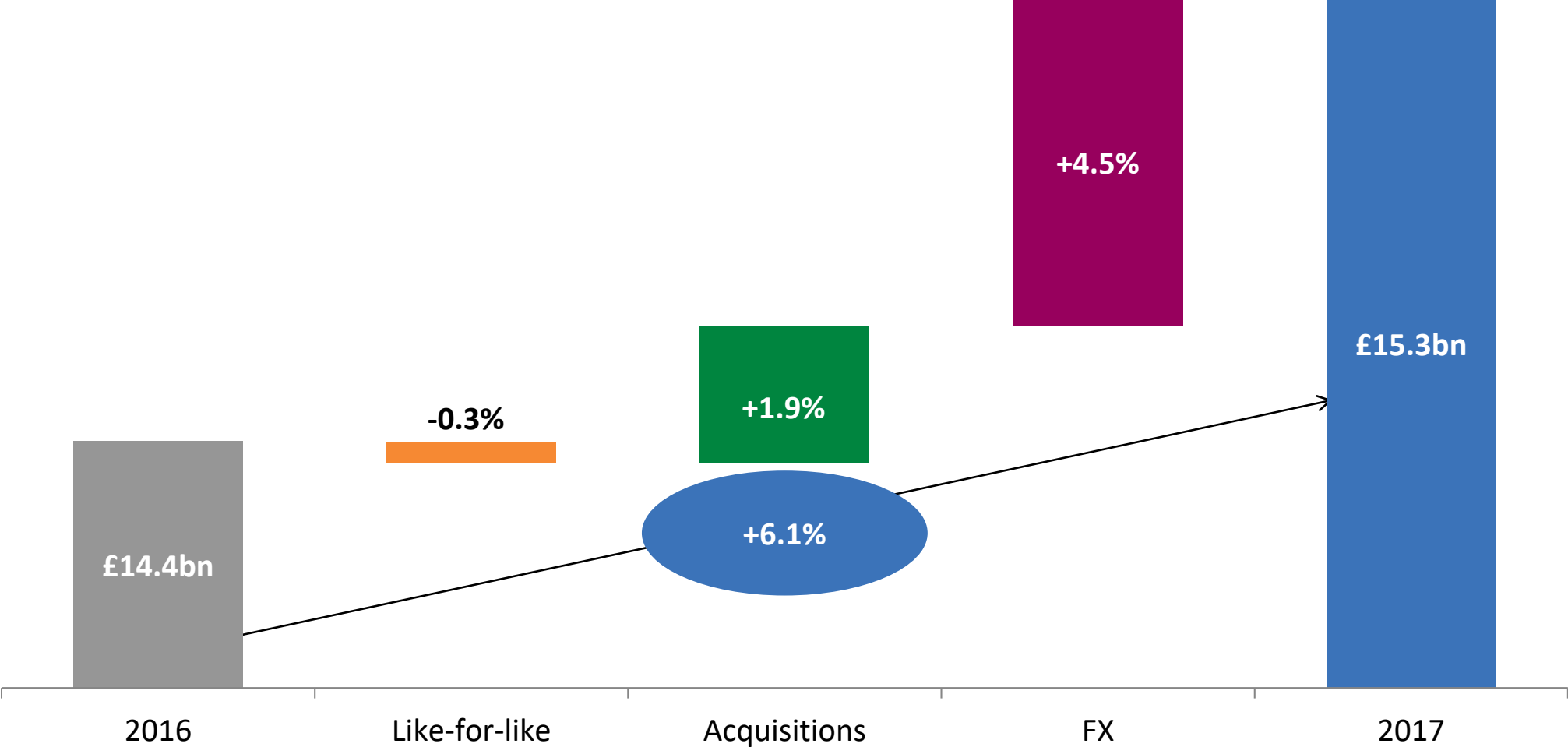
¹ Figures before goodwill and intangibles charges, gains/losses on step-ups, gains/losses on disposals of subsidiaries and investments, investment write-downs, share of exceptional gains/losses of associates, restructuring costs and revaluation of financial instruments

² Revenue less pass-through costs, previously net sales

³ 2017 and 2016 like-for-like number of people

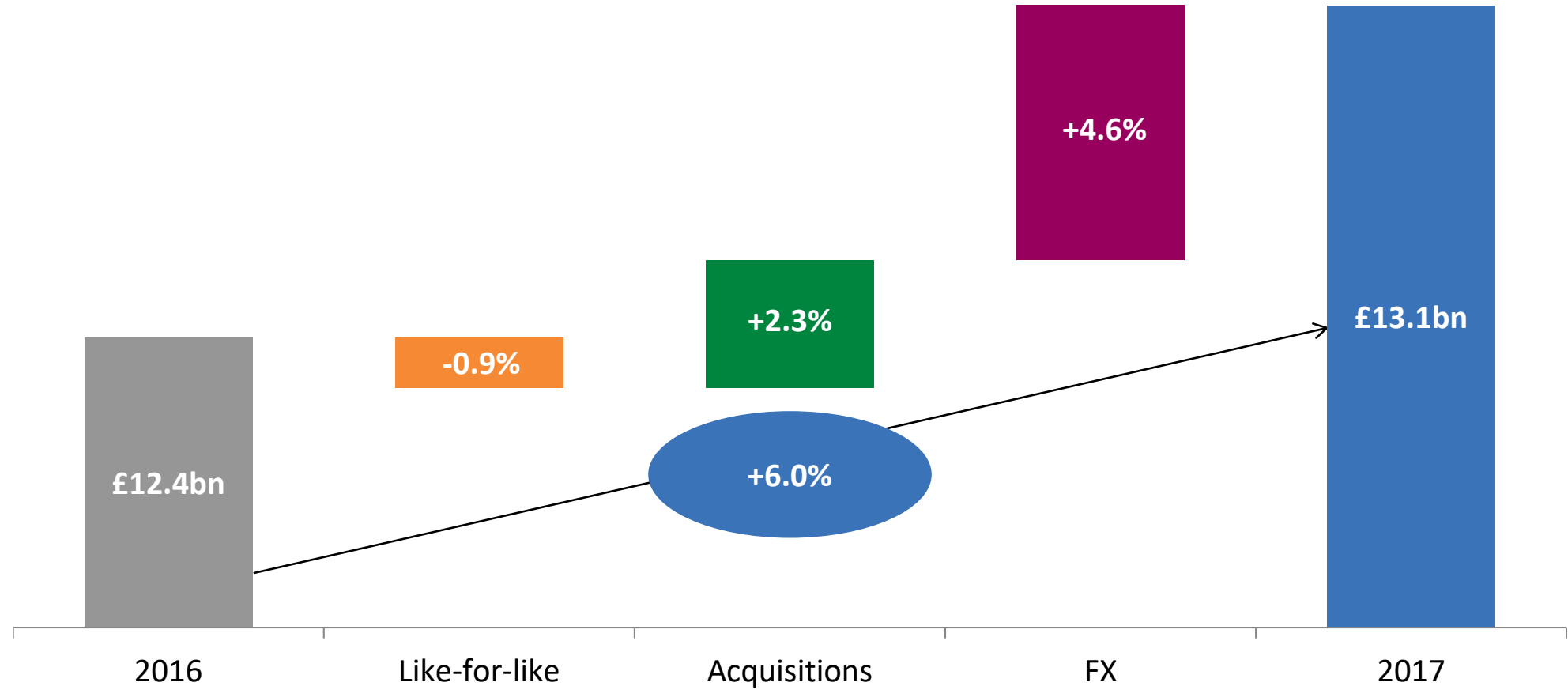
Results for 2017

Revenue Growth



Results for 2017

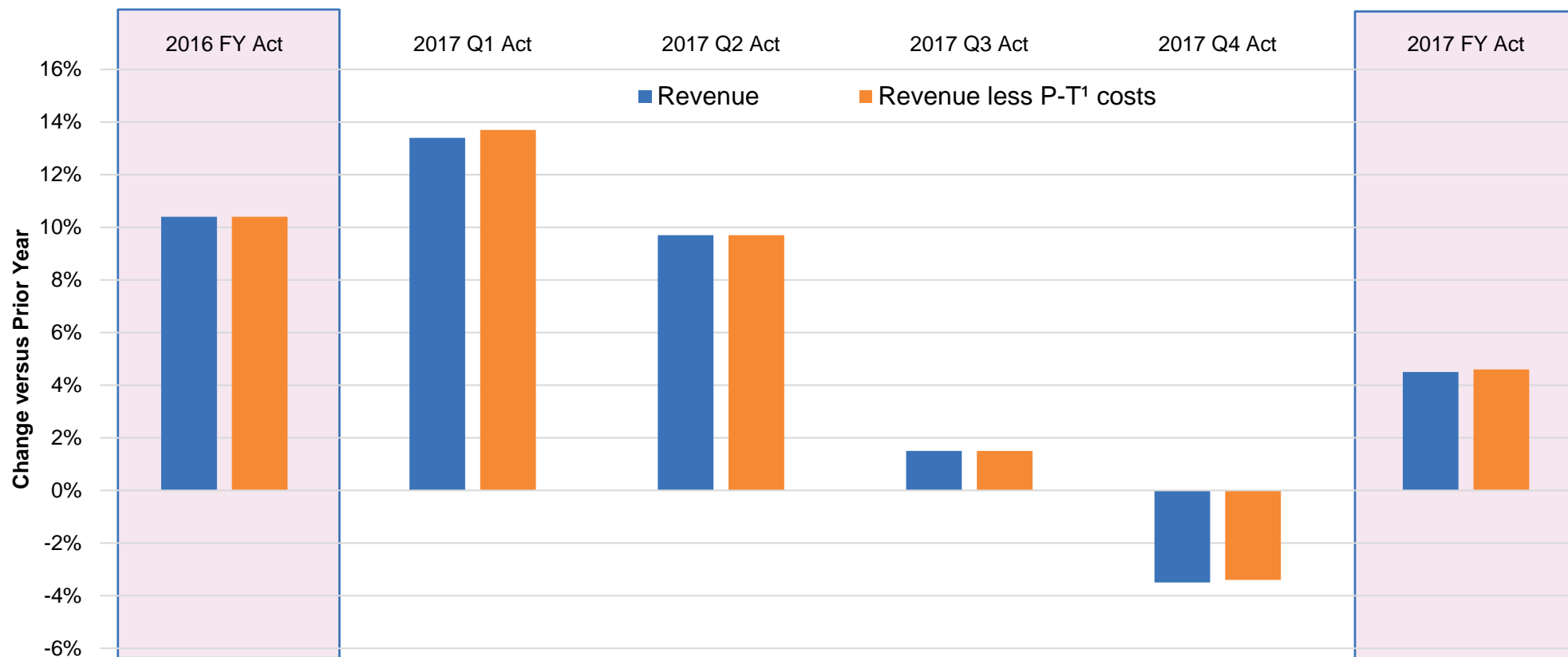
Revenue Less P-T¹ Costs Growth



¹ Revenue less pass-through costs, previously net sales

Results for 2017

Impact of Foreign Exchange



- Q4 headwind -3.5% revenue and -3.4% revenue less P-T¹ costs.
- Full year tailwind 4.5% revenue and 4.6% revenue less P-T¹ costs.

¹ Revenue less pass-through costs, previously net sales

Results for 2017

Unaudited IFRS Income Statement

Year to 31 December	2017 £m	2016 £m	% Change	
			Reported	Constant Currency
Revenue	15,265	14,389	6.1	1.6
Cost of services	(12,090)	(11,348)	-6.5	-4.7
Gross profit	3,175	3,041	4.4	3.8
General and administrative costs	(1,267)	(978)	-29.6	-27.0
Operating profit	1,908	2,063	-7.5	-10.5
Income from associates	113	65	73.4	63.4
Share of associate exceptionals	1	(15)	-	-
PBIT	2,022	2,113	-4.3	-7.5
Net finance costs	87	(222)	-	-
Profit before tax	2,109	1,891	11.6	7.7
Tax	(197)	(389)	49.3	50.3
Profit after tax	1,912	1,502	27.4	22.6
Non-controlling interests	(96)	(102)	5.7	9.0
Attributable to share owners	1,817	1,400	29.7	24.9
Reported diluted EPS	142.4p	108.0p	31.9	26.9

Results for 2017

Unaudited IFRS Income Statement – Function vs Nature of Expense

New Format		
Year to 31 December	2017 £m	2016 £m
Revenue	15,265	14,389
Cost of services	(12,090)	(11,348)
Gross profit	3,175	3,041
General & administrative costs	(1,267)	(978)
Operating profit	1,908	2,063
PBT	2,109	1,891
Revenue less P-T¹ costs	13,140	12,398
Headline² PBIT	2,267	2,160
Headline² PBIT margin	17.3%	17.4%
General & administrative costs		
Headline G&A	(1,020)	(946)
Intangible amortisation	(195)	(168)
Goodwill impairment	(27)	(27)
Exceptional items	(25)	163
Total G&A costs	(1,267)	(978)

Old Format		
Year to 31 December	2017 £m	2016 £m
Revenue	15,265	14,389
Direct costs	(2,125)	(1,991)
Net sales	13,140	12,398
Operating costs	(11,232)	(10,335)
Operating profit	1,908	2,063
PBT	2,109	1,891
Net sales	13,140	12,398
Headline² PBIT	2,267	2,160
Headline² PBIT margin	17.3%	17.4%

¹ Revenue less pass-through costs, previously net sales

² Figures before goodwill and intangibles charges, gains/losses on step-ups, gains/losses on disposals of subsidiaries and investments, investment write-downs, share of exceptional gains/losses of associates, restructuring costs and revaluation of financial instruments

Results for 2017

Unaudited Headline¹ IFRS Income Statement

Year to 31 December	2017 £m	2016 £m	% Change	
			Reported	Constant Currency
Revenue	15,265	14,389	6.1	1.6
Revenue less P-T ² costs	13,140	12,398	6.0	1.4
Operating profit	2,154	2,095	2.8	-0.5
Income from associates	113	65	73.4	63.4
PBIT	2,267	2,160	4.9	1.5
Net finance costs	(174)	(174)	-0.3	3.8
Profit before tax	2,093	1,986	5.4	1.9
Tax at 22.0% (2016 - 21.0%)	(460)	(417)	-10.3	-7.5
Profit after tax	1,633	1,569	4.0	0.5
Non-controlling interests	(96)	(102)	5.7	9.0
Attributable to share owners	1,537	1,467	4.7	1.1
Diluted EPS	120.4p	113.2p	6.4	2.7
Revenue less P-T² costs margin	17.3%	17.4%	-0.1³	+0.0³
EBITDA	2,534	2,420	4.7	1.2

¹ Figures before goodwill and intangibles charges, gains/losses on step-ups, gains/losses on disposals of subsidiaries and investments, investment write-downs, share of exceptional gains/losses of associates, restructuring costs and revaluation of financial instruments

² Revenue less pass-through costs, previously net sales

³ Margin points

Results for 2017

Net Exceptional Loss¹ of £24m

Year to 31 December	2017 £m
Gain on disposals of investments and subsidiaries (Asatsu, Infoscout and others)	129
Investment write-downs (comScore and others)	(96)
Restructuring costs ²	(57)
Net exceptional loss	(24)

¹ Being net amount of gains/losses on step-ups, gains/losses on disposals of subsidiaries and investments, investment write downs and restructuring costs

² Restructuring costs predominantly comprise £34m of severance costs and £13m of IT costs including June 2017 cyber attack

Results for 2017

% Growth Versus Prior Year

	Revenue	Revenue less P-T ¹ costs	Headline ² PBIT	Headline ² EPS
Like-for-like	-0.3	-0.9	n/a	n/a
Acquisitions ³	1.9	2.3	n/a	n/a
Constant currency	1.6	1.4	1.5	2.7
Foreign exchange	4.5	4.6	3.4	3.7
Reportable sterling	6.1	6.0	4.9	6.4
Reportable US dollars⁴	1.7	1.6	3.1	5.7
Reportable euros⁵	-0.6	-0.7	-1.0	0.5
Reportable Japanese yen⁶	4.9	4.8	6.2	8.9

¹ Revenue less pass-through costs, previously net sales

² Figures before goodwill and intangibles charges, gains/losses on step-ups, gains/losses on disposals of subsidiaries and investments, investment write-downs, share of exceptional gains/losses of associates, restructuring costs and revaluation of financial instruments

³ Acquisitions net of disposals

⁴ Translated into US\$, using among other currencies, average exchange rates of US\$/£ for FY 2017 of \$1.289, compared to \$1.355 for FY 2016

⁵ Translated into euros, using among other currencies, average exchange rates of €/£ for FY 2017 of €1.141 compared to €1.223 for FY 2016

⁶ Translated into Japanese yen, using among other currencies, average exchange rates of ¥/£ for FY 2017 of ¥144.5, compared to ¥147.4 for FY 2016

Results for 2017

Revenue and Revenue Less P-T¹ Costs by Sector

	Revenue				Revenue less P-T ¹ costs			
	2017 £m	Reported	% Change		2017 £m	Reported	% Change	
			Constant Currency	Like-for- like ²			Constant Currency	Like-for- like ²
Advertising, Media Investment Management	7,180	9.7	5.1	-0.1	5,852	8.1	3.6	-2.3
Data Investment Management	2,691	1.1	-3.6	-2.9	2,052	2.9	-1.9	-1.3
Public Relations & Public Affairs	1,172	6.4	1.7	0.7	1,141	5.8	1.0	0.2
Brand Consulting, Health & Wellness and Specialist Communications	4,222	3.5	-0.9	0.8	4,095	4.7	0.3	1.0
Total	15,265	6.1	1.6	-0.3	13,140	6.0	1.4	-0.9

¹ Revenue less pass-through costs, previously net sales

² Digital revenue grew by 2.5% and digital revenue less pass-through costs by 2.0%

Results for 2017

Revenue and Revenue Less P-T¹ Costs by Region

	Revenue				Revenue less P-T ¹ costs			
	2017 £m	Reported	% Change		2017 £m	Reported	% Change	
			Constant Currency	Like-for- like			Constant Currency	Like-for- like
North America	5,547	5.0	0.3	-2.3	4,799	4.2	-0.4	-3.2
UK	1,986	6.4	6.4	4.9	1,684	6.0	6.0	4.8
Western Continental Europe	3,160	7.4	1.6	-0.3	2,616	7.9	1.9	0.0
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	4,572	6.4	1.1	0.0	4,041	6.9	1.6	-0.8
Total	15,265	6.1	1.6	-0.3	13,140	6.0	1.4	-0.9

¹ Revenue less pass-through costs, previously net sales

Results for 2017

Two Year Cumulative Like-for-Like Revenue Growth¹

%	WPP ³	OMC ^{2,4}	Pub ^{2,5}	DEN ^{2,6}	IPG ^{2,7}	HAV ^{2,8}
H1 2016	9.2	8.8	4.0	13.6	11.3	9.3
H2 2016	7.6	8.9	0.4	10.6	11.1	7.4
H1 2017	4.0	7.5	2.6	6.8	6.6	2.6
H2 2017	1.5	5.7	0.4	3.6	7.0	2.0

¹ Two year trend is total revenue (gross profit for DEN) growth for the named half and same half one year earlier

² OMC is Omnicom Group, DEN is Dentsu Group, Pub is Publicis Groupe, IPG is Interpublic Group and HAV is HAVAS

³ WPP growth H1/15 4.9%, H2/15 5.8%, H1/16 4.3%, H2/16 1.8%, H1/17 -0.3%, H2/17 -0.3%

⁴ OMC growth H1/15 5.2%, H2/15 5.5%, H1/16 3.6%, H2/16 3.4%, H1/17 3.9%, H2/17 2.1%

⁵ PUB growth H1/15 1.2%, H2/15 1.8%, H1/16 2.8%, H2/16 -1.4%, H1/17 -0.2%, H2/17 1.8%

⁶ DEN gross profit growth (revenue growth not disclosed) for H1/15 6.4%, H2/15 7.6%, H1/16 7.2%, H2/16 3.0%, H1/17 -0.4%, H2/17 0.6%

⁷ IPG growth H1/15 6.2%, H2/15 6.2%, H1/16 5.1%, H2/16 4.9%, H1/17 1.5%, H2/17 2.1%

⁸ HAV growth H1/15 6.3%, H2/15 4.3%, H1/16 3.0%, H2/16 3.1%, H1/17 -0.4%, H2/17 -1.1%

Results for 2017

Headline¹ PBIT and Revenue Less P-T² Costs Margin by Sector

	Headline PBIT		Headline Margin	
	2017 £m	2016 £m	2017 %	2016 %
Advertising, Media Investment Management	1,109	1,027	19.0	19.0
Data Investment Management	350	351	17.1	17.6
Public Relations & Public Affairs	183	180	16.1	16.7
Brand Consulting, Health & Wellness and Specialist Communications	625	602	15.3	15.4
Total	2,267	2,160	17.3	17.4

¹ Figures before goodwill and intangibles charges, gains/losses on step-ups, gains/losses on disposals of subsidiaries and investments, investment write-downs, share of exceptional gains/losses of associates, restructuring costs and revaluation of financial instruments

² Revenue less pass-through costs, previously net sales

Results for 2017

Headline¹ PBIT and Revenue Less P-T² Costs Margin by Region

	Headline PBIT		Headline Margin	
	2017 £m	2016 £m	2017 %	2016 %
North America	937	895	19.5	19.4
UK	280	261	16.6	16.5
Western Continental Europe	376	352	14.4	14.5
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	674	652	16.7	17.2
Total	2,267	2,160	17.3	17.4

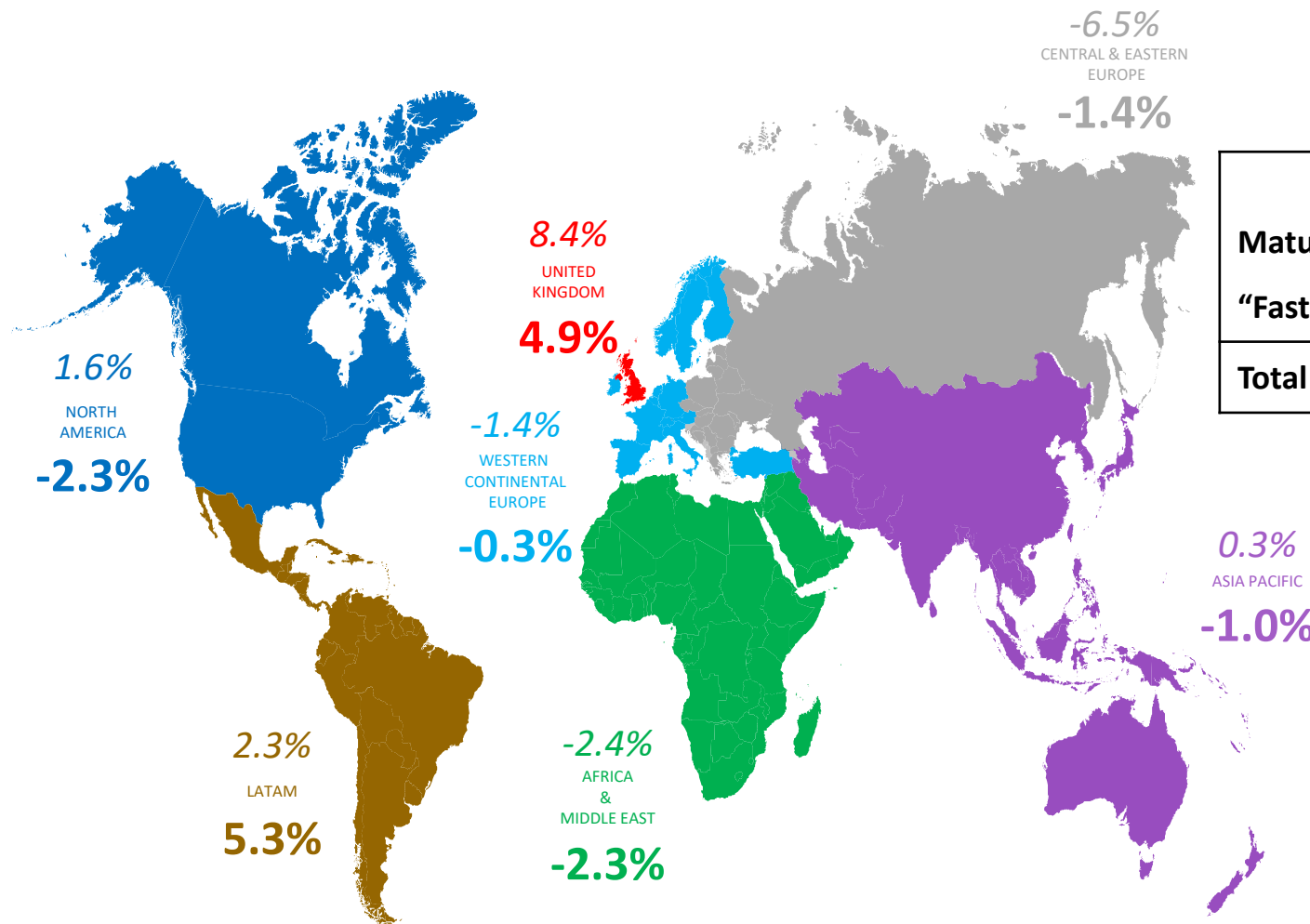
¹ Figures before goodwill and intangibles charges, gains/losses on step-ups, gains/losses on disposals of subsidiaries and investments, investment write-downs, share of exceptional gains/losses of associates, restructuring costs and revaluation of financial instruments

² Revenue less pass-through costs, previously net sales

Results for 2017

Revenue Growth¹ by Region

Q4 %
FY %

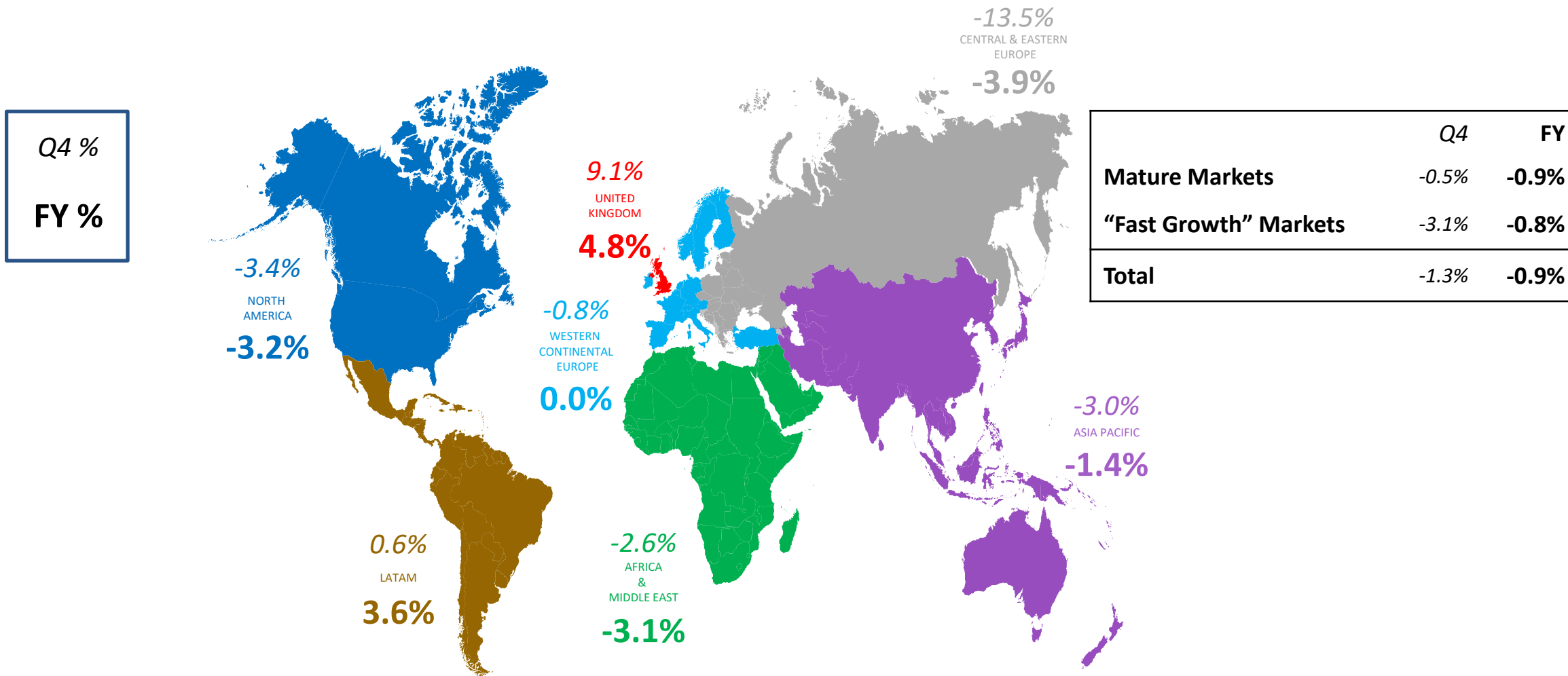


	Q4	FY
Mature Markets	1.8%	-0.5%
“Fast Growth” Markets	-0.1%	0.0%
Total	1.2%	-0.3%

¹ Like-for-like revenue growth vs. 2016

Results for 2017

Revenue Less P-T Costs Growth¹ by Region



¹ Like-for-like revenue less pass-through costs, previously net sales, growth vs. 2016

Results for 2017

Top 6 Markets – Almost 68%¹ of Revenue and Revenue Less P-T⁵ Costs
Like-For-Like Revenue Down 1.0%¹ and Revenue Less P-T⁵ Costs Down 1.4%¹

Including associates:						
Revenue	\$7.0bn	\$2.9bn	\$1.4bn	\$1.3bn	\$0.8bn	\$0.7bn
People '000 ²	25	17	13	8	4	5

	USA		UK		Greater China ³		Germany		ANZ		France	
	Revenue	Revenue less P-T ⁵ costs	Revenue	Revenue less P-T ⁵ costs	Revenue	Revenue less P-T ⁵ costs	Revenue	Revenue less P-T ⁵ costs	Revenue	Revenue less P-T ⁵ costs	Revenue	Revenue less P-T ⁵ costs
2017 FY ⁴	-2.5%	-3.2%	4.9%	4.8%	-4.4%	-3.2%	-0.9%	-1.3%	-1.1%	-0.9%	-0.7%	0.4%
2016 FY ⁴	1.9%	2.8%	1.8%	2.1%	-0.2%	0.2%	6.7%	7.3%	2.0%	3.4%	-1.6%	0.3%
2015 FY ⁴	7.2%	4.3%	4.1%	2.9%	2.2%	1.6%	8.0%	4.2%	2.4%	0.3%	0.2%	-0.1%

¹ % excluding associates

² Closing headcount at 31 December 2017

³ Includes Hong Kong & Taiwan

⁴ Like-for-like growth vs. prior year, excluding associates

⁵ Revenue less pass-through costs, previously net sales

Results for 2017

BRICs Markets – Over 12%¹ of Revenue and Revenue Less P-T⁶ costs
Like-For-Like Revenue Up 0.8%¹ and Revenue Less P-T⁶ Costs Down 2.0%¹

	Including associates:			
Revenue	\$1.4bn	\$0.6bn	\$0.5bn	\$0.2bn
WPP Rank ²	#3	#7	#8	#26
People '000 ³	13	19	7	2

	Greater China ⁴		India		Brazil		Russia	
	Revenue	Revenue less P-T ⁶ costs	Revenue	Revenue less P-T ⁶ costs	Revenue	Revenue less P-T ⁶ costs	Revenue	Revenue less P-T ⁶ costs
2017 FY ⁵	-4.4%	-3.2%	7.9%	1.1%	0.4%	1.6%	-7.4%	-15.4%
2016 FY ⁵	-0.2%	0.2%	11.2%	13.8%	-2.8%	-2.5%	4.1%	5.4%
2015 FY ⁵	2.2%	1.6%	16.9%	10.5%	1.4%	1.3%	-9.4%	-10.4%

¹ % excluding associates

² Ranked by WPP revenue by market excluding associates

³ Closing headcount at 31 December 2017

⁴ Includes Hong Kong & Taiwan

⁵ Like-for-like growth vs. prior year, excluding associates

⁶ Revenue less pass-through costs, previously net sales

Results for 2017

Trade Estimates of Major New Business Wins (1)

WPP Agency	Incumbent	Account	Office	Billings(\$m)
MediaCom	HAV/OMC	PSA	Global	998
Sanofi Partnership/Mindshare	PUB	Sanofi	Global	600
W Partnership	OMC	Walgreens Boots Alliance	Global	600
Team L'Atelier	PUB	LVMH	APAC	500
Grey/MediaCom	PUB	Revlon	Global	420
MediaCom	DEN	Vauxhall-Opel	Europe	401
MediaCom	IPG	Uber	North America	400
MediaCom	PUB	Richemont	Global	400
Team Campari	All	Campari	Global	300
Mindshare	IPG	T.J. Maxx	Global	215
Team WPP	PUB/Accenture/Other	Automotive (Confidential)	Europe	200
Team Horizon	PUB/DEN	British Airways	Global	200
Wunderman	Ogilvy ¹	BT	UK	190
Grey	IND	Applebee's	USA	150
Mindshare	IPG	Tyson Foods	USA	135
MediaCom	OMC	Volkswagen Audi	China	120
Mindshare/Essence	DEN	HMD Global (Nokia)	Global	105
Wavemaker	PUB	Mercedes-Benz	China	105

Shaded figures are Q4 wins, wins in red are transfers of business

¹ Loss by Ogilvy reported in 2016

Results for 2017

Trade Estimates of Major New Business Wins (2)

WPP Agency	Incumbent	Account	Office	Billings(\$m)
MediaCom	OMC/DEN	AkzoNobel	Argentina,MENA, South Africa	80
MediaCom	Wavemaker	MetLife	USA	75
Wavemaker	IND	ITC Industries	India	75
MediaCom	DEN/PUB	Victorian Government	Australia	70
Ogilvy	Grey	Vodafone	UK	70
Wunderman	IND	Samsung	EMEA	70
Geometry/Wunderman	PUB/OMC/IND	Telkom South Africa	South Africa	64
MediaCom	PUB/IPG/DEN	AB InBev	Latin America	60
MediaCom	OMC	Whole Foods Market	USA	60
Wavemaker/Mindshare	OMC/PUB/IND	Kingfisher	Global	60
Mindshare	OMC	Unilever	Global	50
Mindshare	MediaCom	Deutsche Telekom	Global	38
Ogilvy	OMC	CISCO	USA	35
Ogilvy	N/A	CFA Institute	Global	30

Shaded figures are Q4 wins, wins in red are transfers of business

Results for 2017

Trade Estimates of Major New Business Losses

WPP Agency	Winning Agency	Account	Office	Billings(\$m)
MediaCom	DEN/OMC	AB InBev	USA/Australia/India	525
Mindshare	PUB	Lionsgate	USA	400
Grey	IND/Other	Coty	Global	330
Wavemaker	PUB	KFC	Global	230
Ogilvy	DEN	American Express	Global	200
Mindshare	PUB	Mattel	USA	150
Wavemaker	HAV	Michelin	Global	100
JWT	PUB	Kellogg's	USA	100
Wavemaker	OMC	Barclays	Global	80
Wavemaker	MediaCom	MetLife	USA	75
Mindshare	IND	Nordstrom	USA	70
Grey	Ogilvy	Vodafone	UK	70
Wavemaker	Mindshare	Pandora	USA	60
MediaCom	DEN/PUB	Procter & Gamble	Nordics & UK Print	50
Grey	IND	3M	USA	40
Mediacom	Mindshare	Deutsche Telekom	Global	38
Wavemaker	IPG	Accenture	Global	36

Shaded figures are Q4 losses, losses in red are transfers of business

Results for 2017

Internal Estimates of Net New Business Wins

(\$m)	Creative	Media	Total
Advertising	1,364	3,444	4,808
Other Businesses	1,522	-	1,522
2017	2,886	3,444	6,330



Results for 2017

Trade Estimates of Major New Business Wins/Losses Since 1 January 2018

	WPP Agency	Incumbent	Account	Office	Billings(\$m)
WINS	Team Amplify	IPG	Bose	Global	80
	MediaCom/Y&R	OMC	Office Depot	NAFTA	62
	Wavemaker	OMC	Adobe	Global	55



Results for 2017

Cash Flow

£m	2017	2016
Operating profit	1,908	2,063
Non-cash compensation	105	106
Depreciation & amortisation charges	489	455
Net interest paid & similar charges	(170)	(168)
Tax paid	(425)	(414)
Net cash generation	1,907	2,042

Results for 2017

Uses of Cash Flow

£m	2017	2016
Net cash generation	1,907	2,042
Capital expenditure	(326)	(285)
Acquisition payments	(229)	(697)
- Net initial payments ¹	(30)	(605)
- Earnout payments/loan note redemptions	(199)	(92)
Other ²	(41)	(172)
Net cash inflow before distributions	1,311	888
Distributions to share owners	(1,256)	(1,044)
- Dividends	(752)	(617)
- Share buy-backs	(504)	(427)
Net cash inflow/(outflow) before NWC changes	55	(156)

¹ Net initial payments are net of cash acquired and disposal proceeds, and includes other investments and associates

² Includes non cash gains and losses

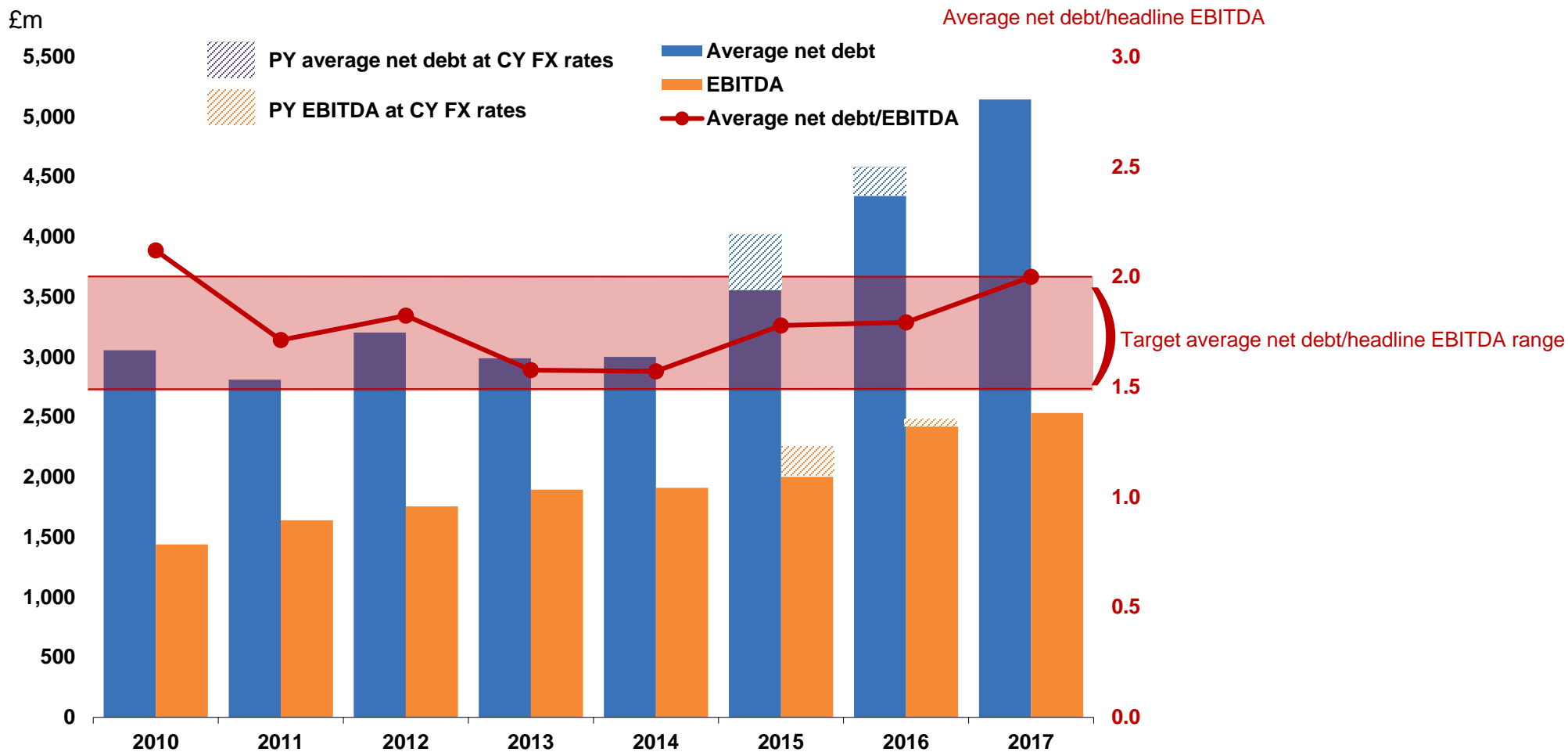
Results for 2017

Net Debt – 31 December 2017

£m	2017	2016	% Variance
FY average net debt on constant currency basis	(5,143)	(4,559)	-13%
FY average net debt on reportable basis	(5,143)	(4,340)	-19%
Net debt at 31 December on constant currency basis	(4,483)	(4,092)	-10%
Net debt at 31 December on reportable basis	(4,483)	(4,131)	-9%
Headline finance costs	(174)	(174)	-
Interest cover on headline PBIT	13.0x	12.4x	
Headline EBITDA	2,534	2,420	5%
Average net debt / headline EBITDA	2.0x	1.8x	
First seven weeks of 2018:			
Average net debt on constant currency basis	(4,521)	(4,112)	-10%
Average net debt on reportable basis	(4,521)	(4,218)	-7%

Results for 2017

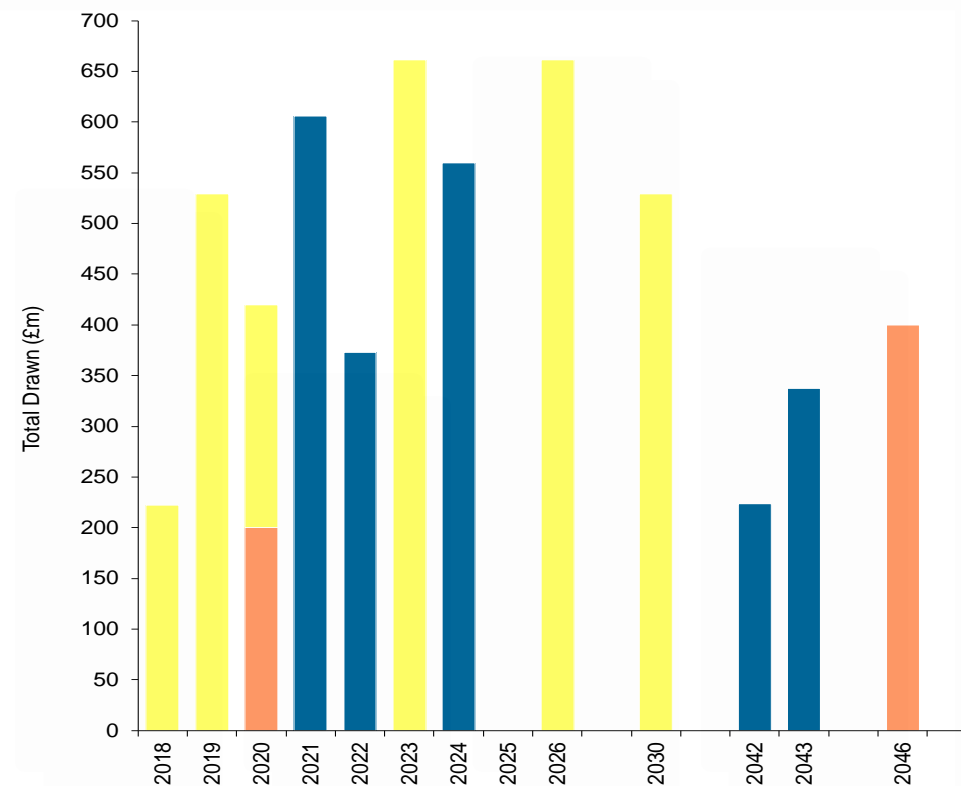
Historic Average Net Debt/Headline EBITDA



Results for 2017

Debt Maturity Profile £m at 31 December 2017

	£ Total Credit	£ Total Drawn
£ bonds £400m (2.875% Sep '46)	400	400
US bond \$500m (5.625% Nov '43)	370	370
US bond \$300m (5.125% Sep '42)	222	222
Eurobonds €600m (1.625% Mar '30)	533	533
Eurobonds €750m (2.25% Sep '26)	667	667
US bond \$750m (3.75% Sep '24)	554	554
Eurobonds €750m (3.0% Nov '23)	667	667
US bond \$500m (3.625% Sep '22) ¹	370	370
US bond \$812m (4.75% Nov '21) ²	601	601
£ bonds £200m (6.375% Nov '20)	200	200
Eurobonds €250m (3m EURIBOR + 0.32% May '20)	222	222
Eurobonds €600m (0.75% Nov '19)	533	533
Eurobonds €252m (0.43% Mar '18)	224	224
Debt Facilities	5,563	5,563
Bank revolver ³ (\$2,500m Jul'21)	1,849	790
Bank revolver ³ (A\$520m Mar'19)	300	196
Net cash, overdrafts & other adjustments	-	(2,066)
Total Borrowing Capacity / Net Debt	7,712	4,483



Weighted Average Coupon 3.0%
Weighted Average Maturity 9.5 years
Available Liquidity £3,229m

¹ Swapped to 6m \$Libor + 1.52%

² Swapped to 6m \$Libor + 2.34%

³ These instruments are subject to financial covenants
 Exchange Rates \$/£ 1.3524 €/£ 1.126 £/A\$ 1.7312

Results for 2017

Uses of Free Cash Flow

Category	Target	FY 2017	FY 2016
Acquisitions (excluding earnouts) ¹ :			
Gross		£326m	£686m
Less proceeds		£(296m)	£(81m)
Net acquisitions	£300-£400m ²	£30m	£605m
Share buy-backs:	n/a	£504m	£427m
% of issued share capital	2%-3%	2.5%	2.0%
Dividend increase	n/a	6%	27%
Pay-out ratio	50%	50%	50%
Headroom: Undrawn facilities & surplus cash	n/a	£3.2bn	£4.0bn

¹ Acquisitions are initial payments, net of cash acquired and disposal proceeds, and include other investments and associates

² Excluding larger-sized acquisitions like Triad Retail Media £230m in 2016



2 GroupM - This Year Next Year





Market Environment

GroupM 2017 Forecast for Global AdSpend



3.1%

...down from year-ago forecast 4.4%



Source: GroupM This Year Next Year Worldwide, December 2017



Market Environment

GroupM 2018 Forecast for Global AdSpend

CANNES LIONS 2011-2017
HOLDING COMPANY OF THE YEAR

EFFIE AWARDS 2012-2017
MOST EFFECTIVE HOLDING COMPANY

4.3%

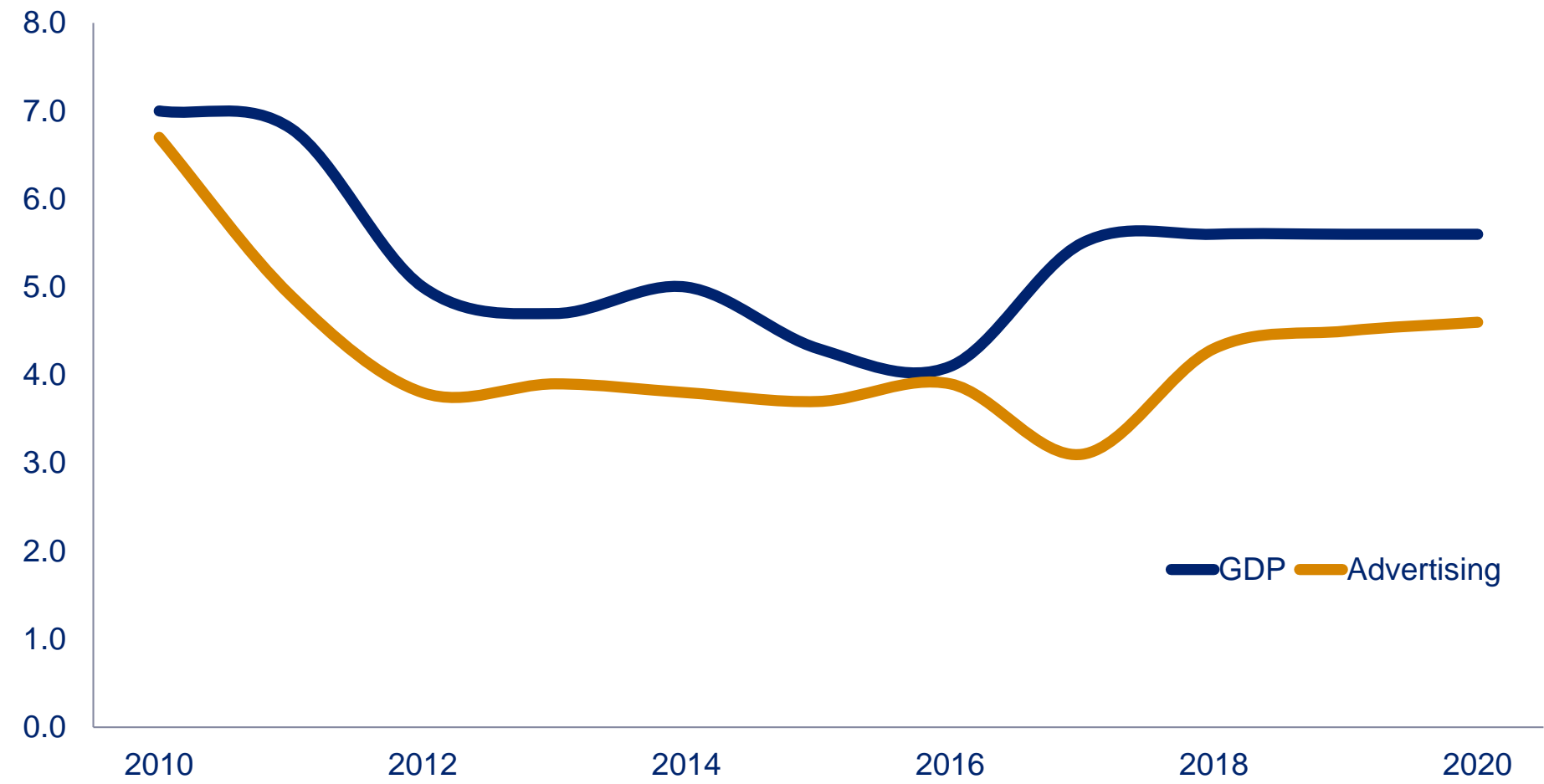


Source: GroupM This Year Next Year Worldwide, December 2017



Market Environment

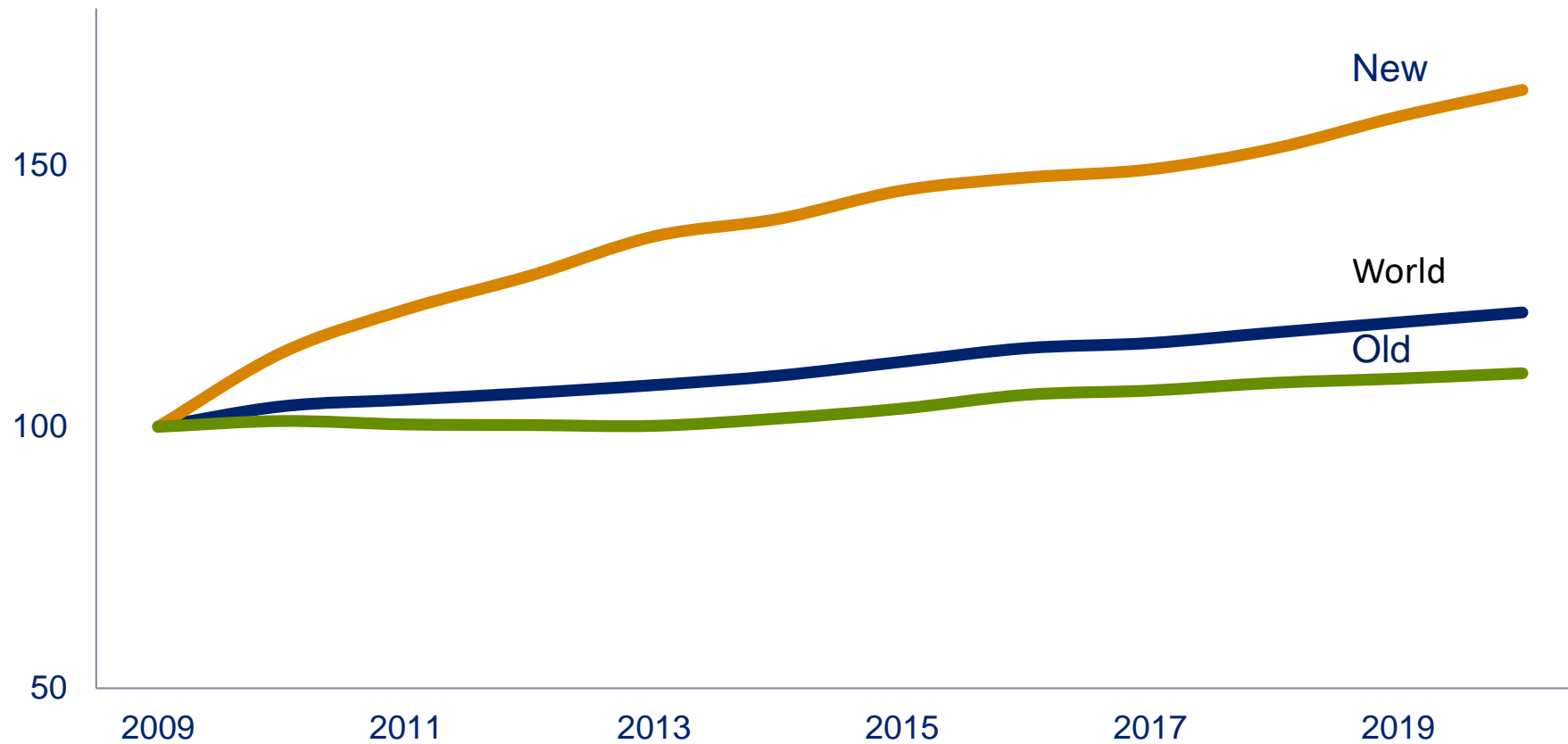
GDP and Advertising Year-on-Year Nominal % Change



Source: IMF/GroupM

Market Environment

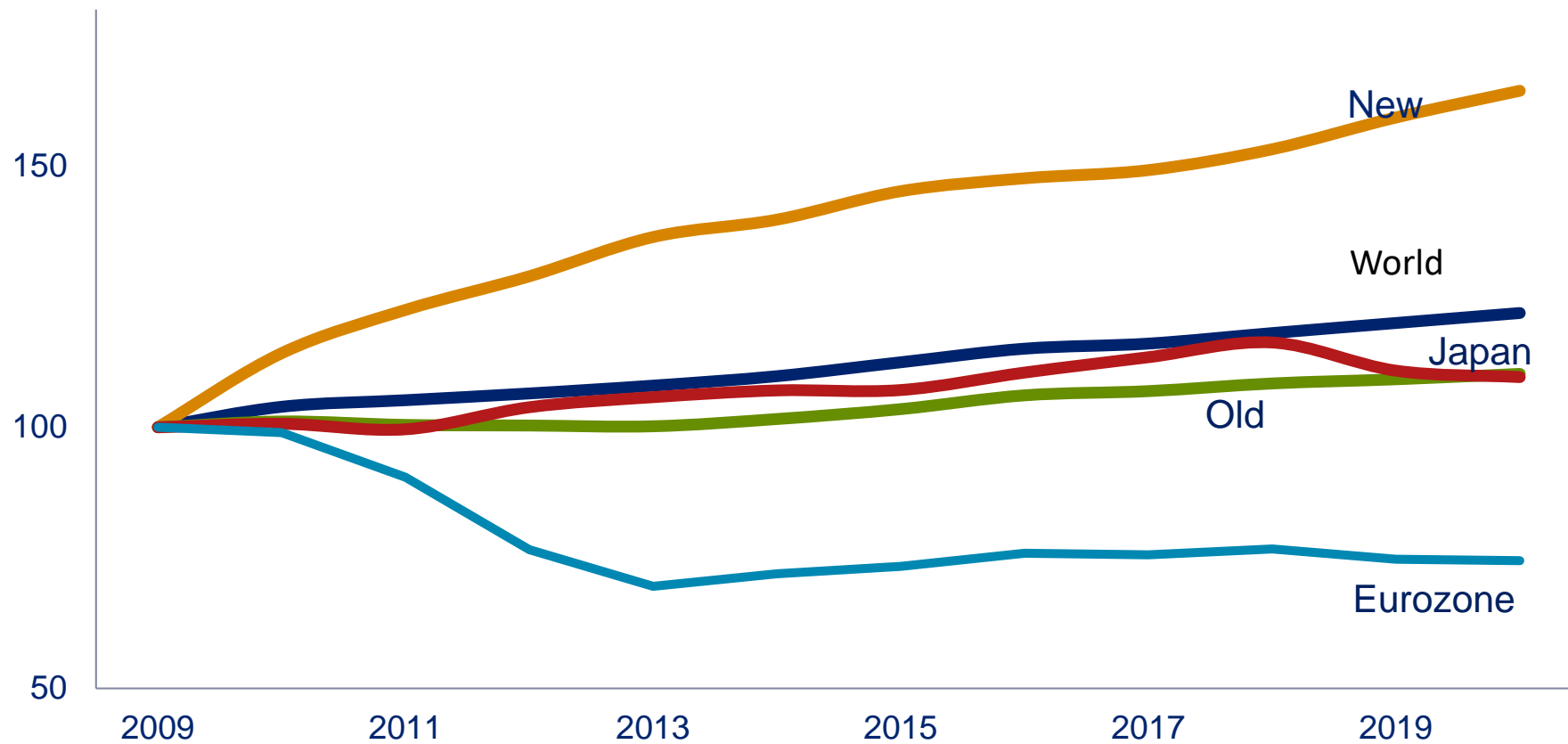
Real Ad Investment (2009 = 100)



Source: GroupM This Year Next Year Worldwide, December 2017

Market Environment

Real Ad Investment (2009 = 100)

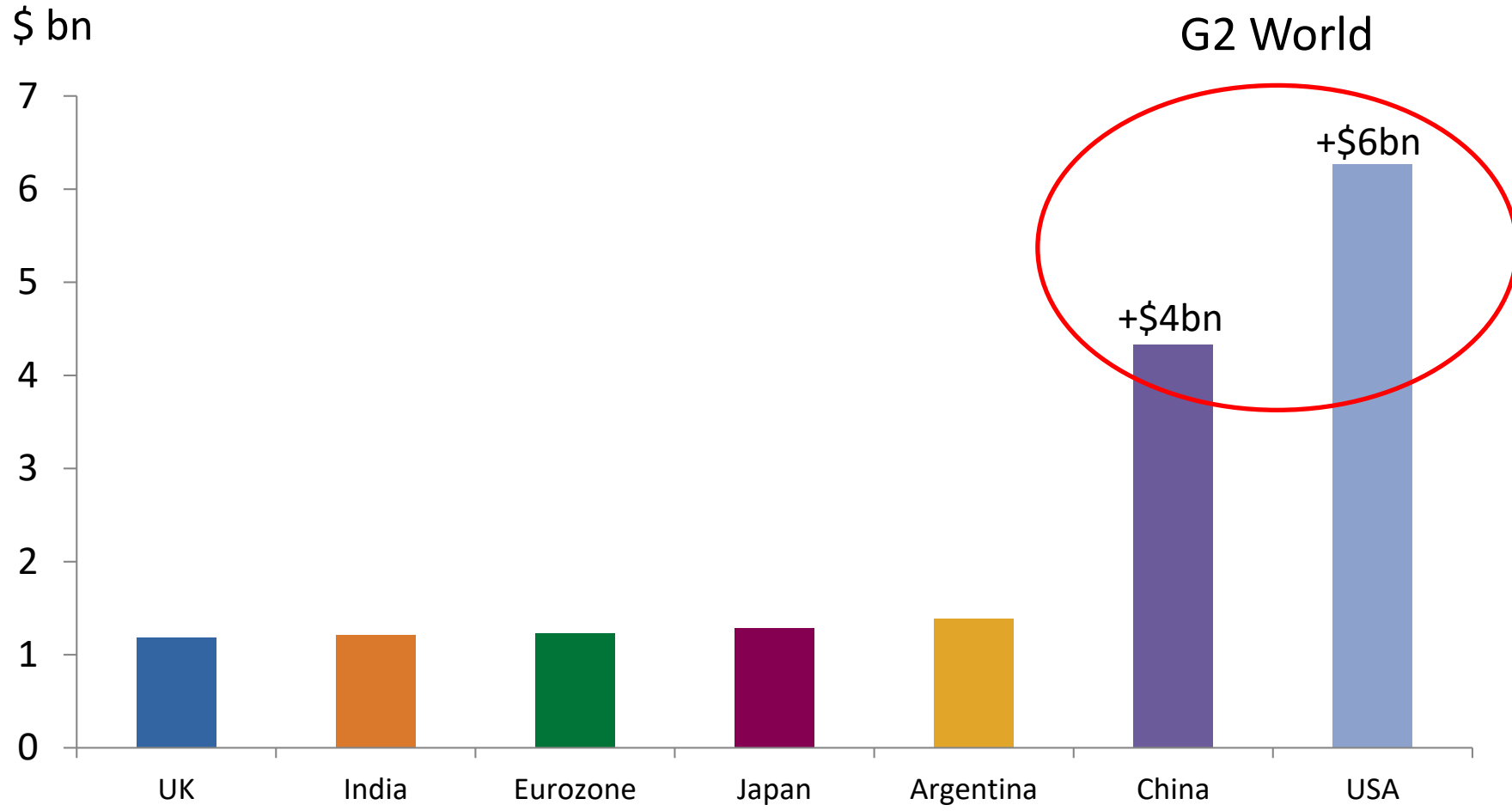


Source: GroupM This Year Next Year Worldwide, December 2017



Market Environment

Contributions to 2018

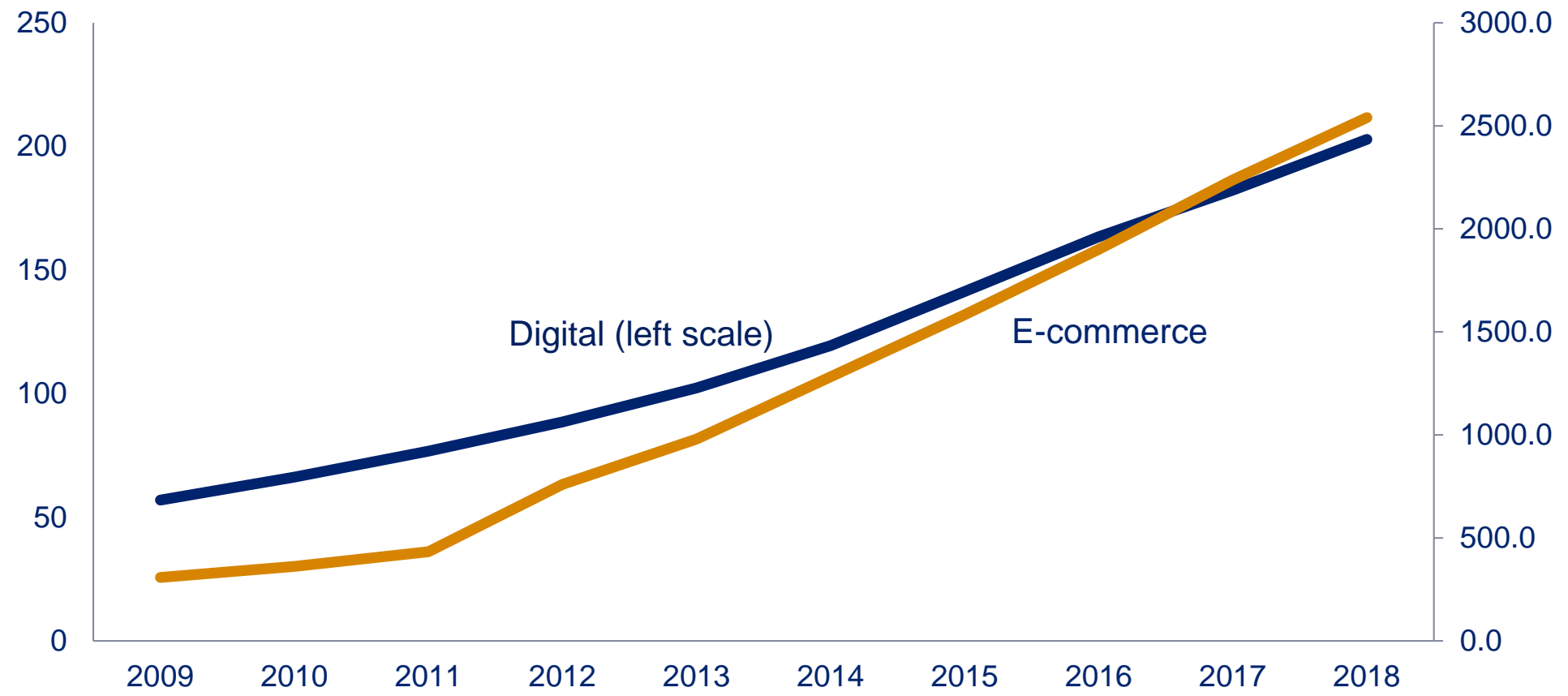


Source: GroupM This Year Next Year Worldwide, December 2017



Market Environment

E-commerce and Digital Adex \$bn

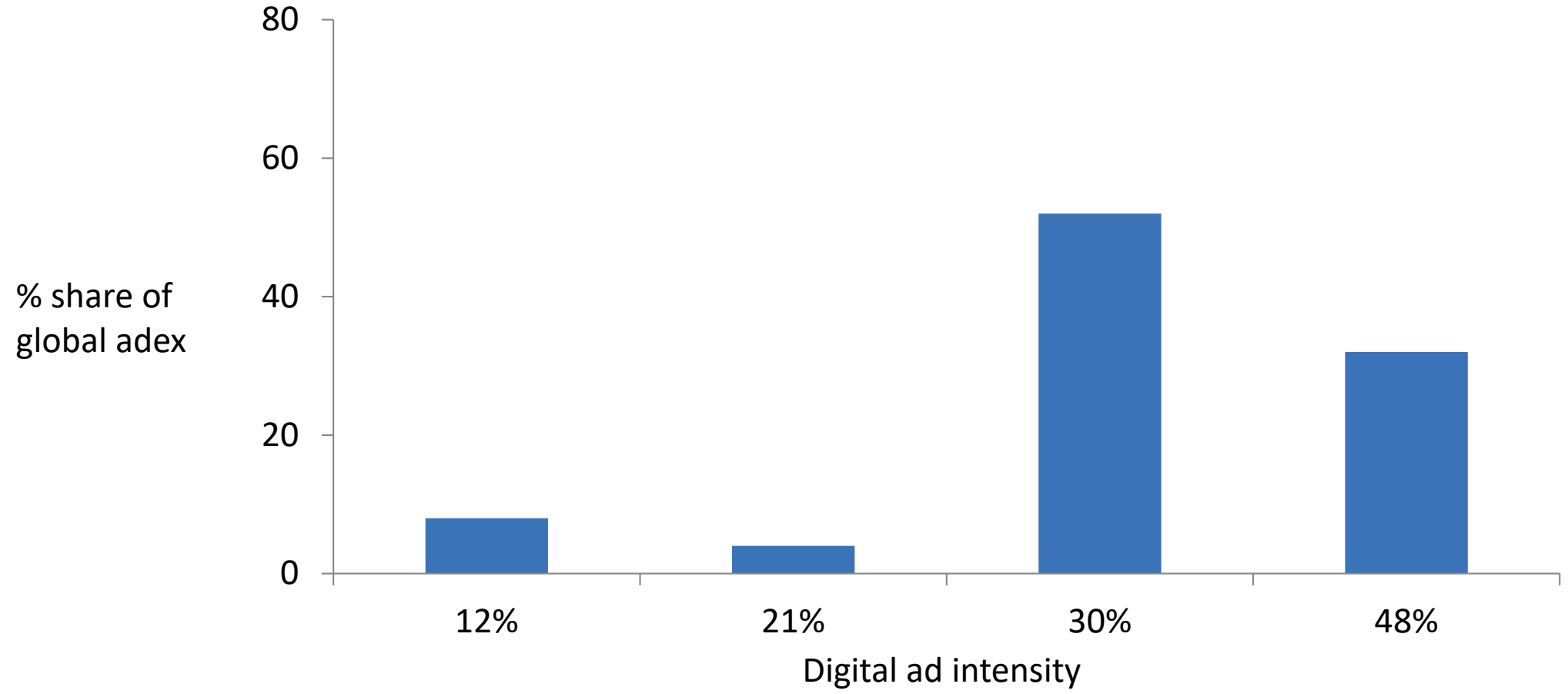


Source: GroupM Interaction 2017 and This Year Next Year Worldwide, December 2017



Market Environment

Share of world adex: digital intensity quartiles 2018

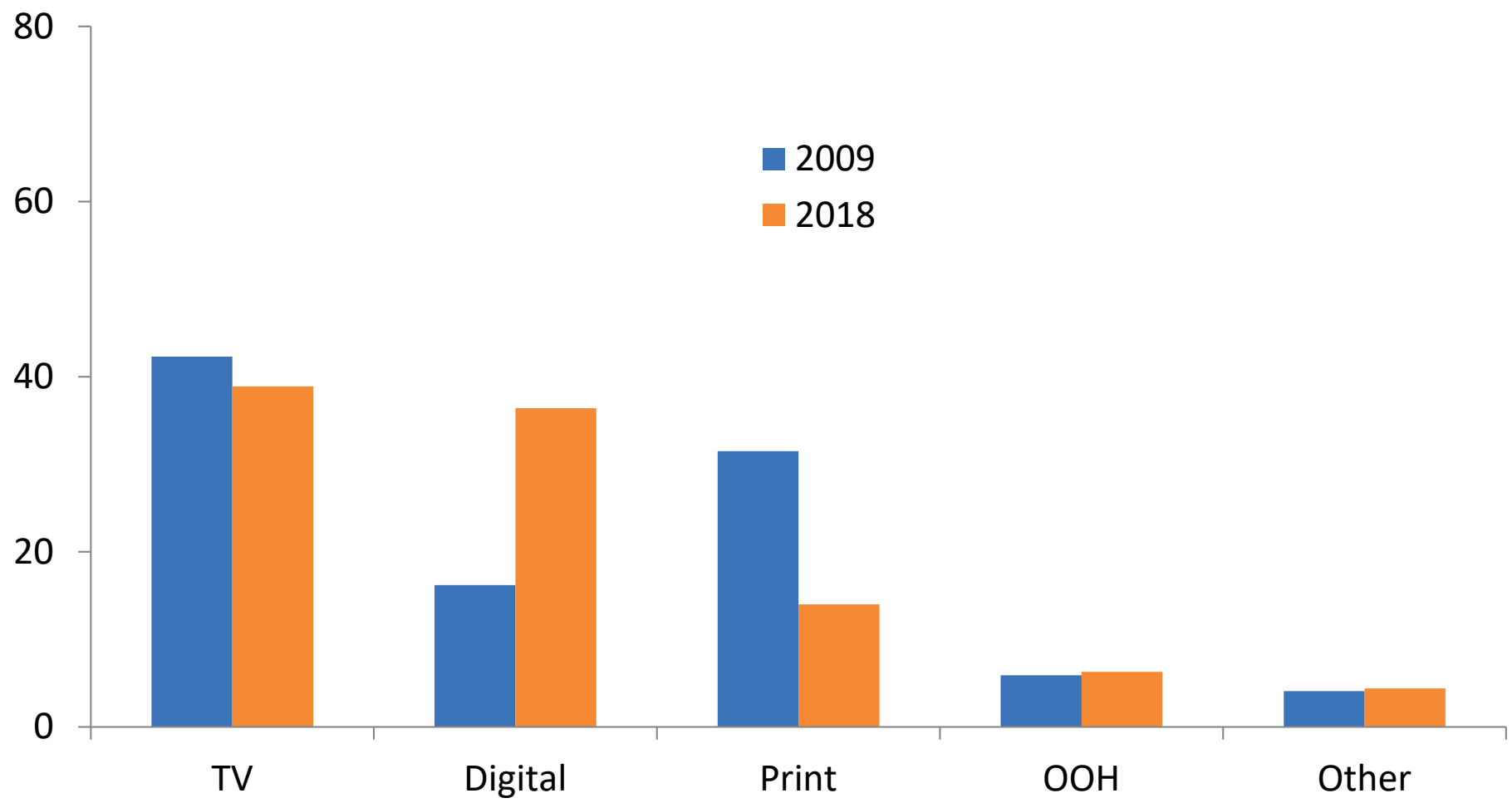


Source: GroupM This Year Next Year Worldwide, December 2017



Market Environment

Ad Shares by Medium



Source: GroupM This Year Next Year Worldwide, December 2017

Market Environment

2017/2018 Forecast Ad Spend Growth by Region

Growth % YoY	2017	2018
North America	2.2	3.4
Lat Am	5.4	6.6
W Europe	2.7	2.6
CEE	9.0	8.8
Asia-Pacific	4.0	5.4
WORLD	3.1	4.3

Source: GroupM This Year Next Year Worldwide, December 2017



3 Most Commonly Asked Questions



Most Commonly Asked Questions

1. Are Google, Facebook, Amazon, Alibaba and Tencent going direct?
2. Are consultancies eating our digital lunch?
3. Are ZBB models, activists and private equity driving down marketing costs?
4. Are clients increasingly in-housing marketing activities?
5. Are innovation and branding still important?



Most Commonly Asked Questions

First - Are Google, Facebook, Amazon, Alibaba and Tencent Going Direct?

Top 10 Media Owners Ranked by WPP Actual Spend 2017 vs. 2012

2017 Top Media Owners		Spend
1	Google	> \$2bn
2	Facebook ²	
<hr/>		
	21 st Century Fox	
3	News Corp	> \$1bn
	Sky	
4	Comcast	
5	Disney	
6	Bertelsmann	> \$500m
7	ITV	
8	CBS	
9	Viacom	< \$500m
10	SevenOne Media	
12	Twitter	
13	Tencent	
14	Oath	
15	Amazon	
18	Snap	
19	Alibaba/Youku/Tudou	

2012 Top Media Owners	
1	Comcast
2	NewsCorp ¹ , Sky, Foxtel
3	Disney
4	Google
5	CBS
6	Viacom
7	ProSiebenSat.1 Media
8	IP Deutschland GmbH
9	ITV
10	TV Globo

¹ NewsCorp in 2012 includes 21st Century Fox

² Facebook was 28th ranked media owner in 2012

Most Commonly Asked Questions

First - Are Google, Facebook, Amazon, Alibaba and Tencent Going Direct?

Google

“We don’t want to disintermediate advertising agencies. We are actually working very, very closely with agencies all over the world. It’s important to understand that we see ourselves as a supplier of technologies and we would like agencies to actually apply our technologies and smartly use our technology ... We see agencies as trusted advisors to the customers and clients.”

- Philip Schindler, Chief Business Officer, Google. 21st Annual Credit Suisse Technology, Media & Telecom Conference November 28, 2017

Most Commonly Asked Questions

First - Are Google, Facebook, Amazon, Alibaba and Tencent Going Direct?

Google

SWARM: Creative Partnership - SWARM is the creative forum that brings WPP agencies exclusive access to Google product teams and new technologies, allowing us to be alpha partners on behalf of our clients. Now in its second year in the US, we will be expanding this regionally in Europe, APAC and Latin America later this quarter.

GEODE: Business Transformation - Geode is how we marry WPP's marketing services expertise and Google's engineering and technology to jointly solve our clients' transformational business challenges. We have conducted four client Geodes in two continents over the past 24 months.

STARKILLER: World-class Digital Media - Through Starkiller, we will be implementing the search capabilities that Essence have developed (and constantly re-define) with and for Google Media Lab as best practice across GroupM.

THE NEXT BILLION CONSUMERS: Industry Leadership - As launched at the World Economic Forum in Davos, WPP and Google are designing a series of joint commitments to identify, augment and encourage the superchargers behind the Next Billion consumers; those individuals who will accelerate the development of middle classes in their countries and communities throughout the fast-growth markets.

Most Commonly Asked Questions

First - Are Google, Facebook, Amazon, Alibaba and Tencent Going Direct?

Facebook

Creative Ambassadors Program: a joint initiative developed specifically for WPP creative and digital agencies comprising of in-person training to optimise creative for mobile through Facebook and Instagram advertising products. This is the first program of its kind ever at holding-company level, and currently operates in 84 agencies across 16 markets. It has also been supported by 'Facebook Blueprint x WPP' a bespoke eLearning platform exclusively available to WPP Agencies.

Amazon

WPP is the holding company leading the way in providing a unified approach to Amazon by connecting media and eCommerce capabilities through for example Mindshare and POSSIBLE. Wunderman Commerce is the first ever global Commerce Agency with a dedicated Amazon team established in Seattle, where Amazon HQ is currently based.

Alibaba

WPP has a unique strategic partnership with Alibaba through GroupM, which combines GroupM's [m]PLATFORM solution with Alibaba's Uni Marketing products. This collaborated in areas including data, technology and strategy , and can provide clients with an overall understanding of consumers' interests, preferences and behaviours, and help identify potential customers at a early stage of marketing campaigns.

Tencent

WPP and Tencent announced the launch of the "China Social Marketing Lab" - a specialist platform to build campaigns for Tencent's QQ and Weixin/WeChat platforms, that will leverage both companies' strengths in technology, analytics and data-driven creative.

Most Commonly Asked Questions

First - Are Google, Facebook, Amazon, Alibaba and Tencent Going Direct?
WPP Data + Partner Data = Unprecedented Insights



Exclusive beta-test for access to aggregate insights on audiences using YouTube and GDN data



Measure Facebook's ability to drive offline sales and calculate ROI



Access to Amazon's Retail Analytics Platform



Preferential Pricing for deep aggregate-level healthcare data



Exclusive access to mobile segments globally, including emerging markets like India



First mover access to Spotify's mood and moments data







Most Commonly Asked Questions

First - Are Google, Facebook, Amazon, Alibaba and Tencent Going Direct?
Further Progress With Mar-Tech Partners

WPP has many subject-matter experts trained in implementing solutions from the world's leading Mar-Tech providers.

WPP was named **Adobe's** 2017 Global Digital Experience Cloud Solution Partner of the Year, and 2018 Partner of the year.

Mirum was also named 2018 Partner of the year for **Acquia** in EMEA, and VML collected the same award for the Americas. Ogilvy was also named 2018 Growth Partner of the Year for Asia Pacific & Japan.

COMPANY		Increase vs PY in FTEs
	Creative, marketing and document management solutions	+49%
	Software and Cloud computing solutions	+139%
	Database and Cloud Database management solutions	+158%
	CMS for Content, Community and Commerce	+127%
	Integrated CMS, Commerce and Digital Marketing platform	+10%
	Marketing Automation Solutions	+155%

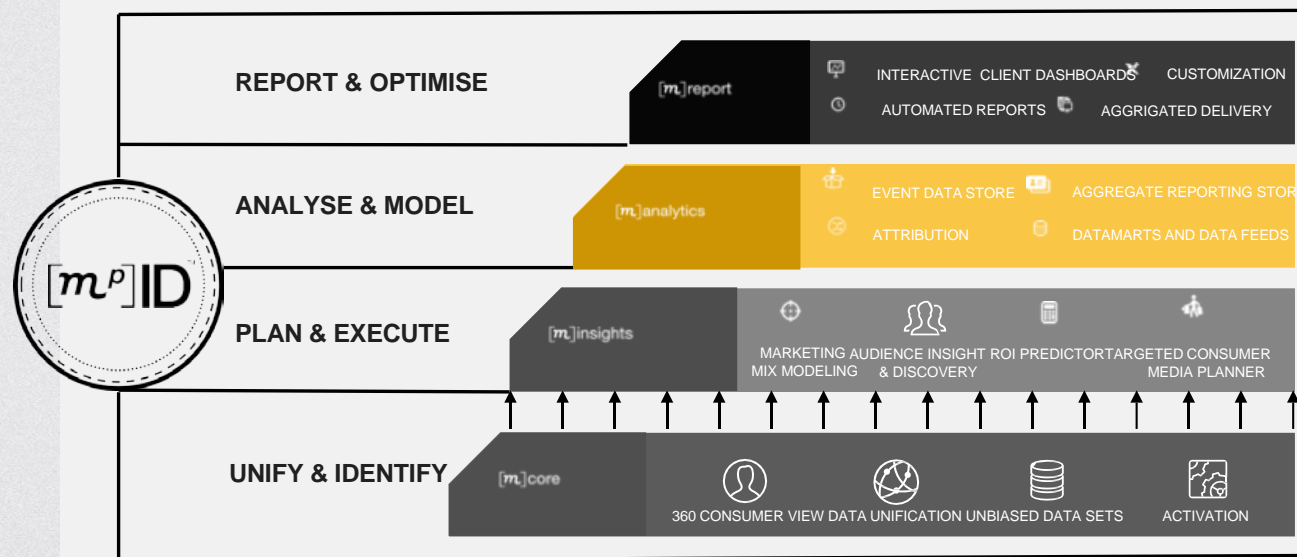
Most Commonly Asked Questions

First - Are Google, Facebook, Amazon, Alibaba and Tencent Going Direct?
Data - [m]Platform Is A Single Source of Truth For Media Activity

We have also invested in our own tech platforms

- The single source of truth for all your media activity
- Built to meet the demands of today's data-first marketers
- End-to-end data connectivity for maximum actionability
- Puts data at the fingertips of every team member

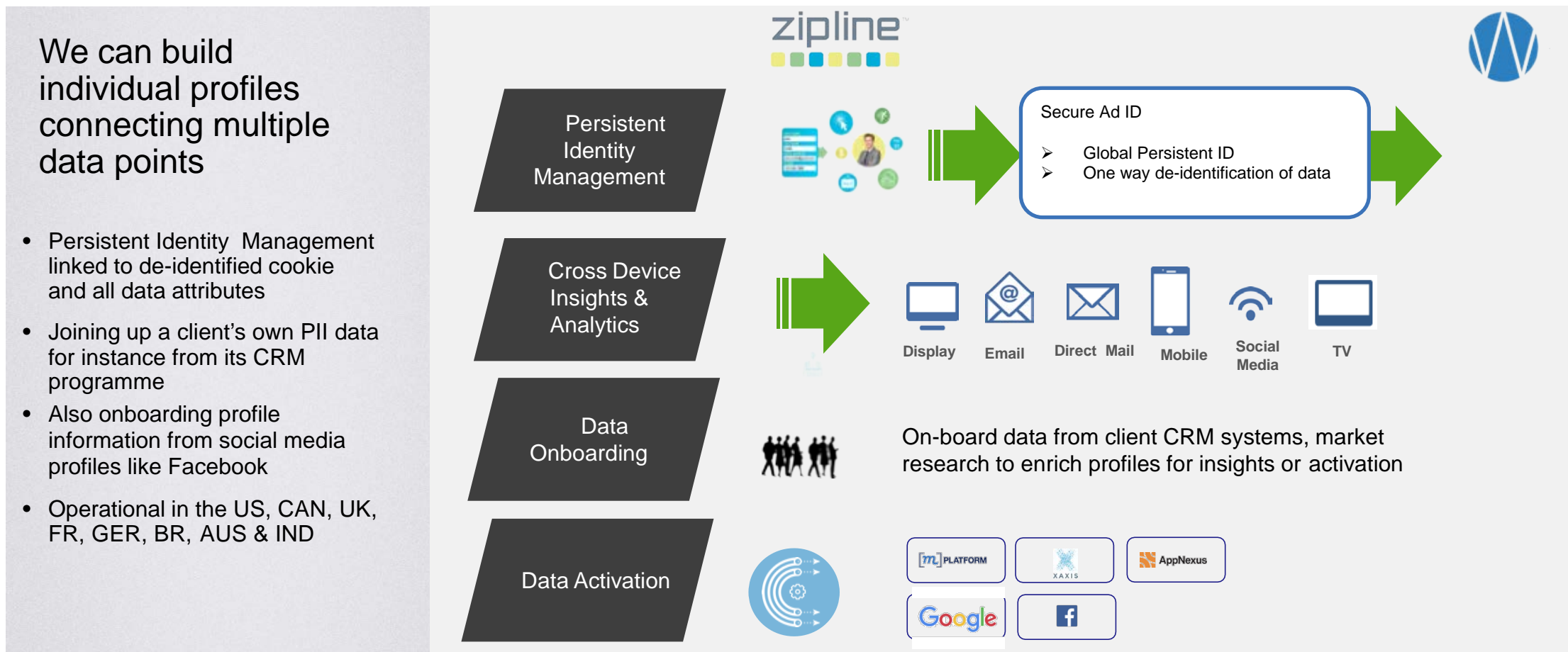
[m] PLATFORM



Most Commonly Asked Questions

First - Are Google, Facebook, Amazon, Alibaba and Tencent Going Direct?

Data – Zipline Is Our PII Data Product



Most Commonly Asked Questions

Second - Are Consultancies Eating Our Digital Lunch? Top Digital Agencies – Fake News?

2016 Revenue - Ad Age Estimates¹

Agency	Rank	\$bn
Accenture Interactive	1	4.4
IBM iX	2	3.0
Deloitte Digital	3	2.6
Publicis.Sapient	4	2.4
PwC Digital Services	5	2.1
Epsilon (Alliance Data)	6	1.2
Wunderman (WPP)	7	1.2
Ogilvy (WPP)	8	1.0
Havas	9	0.8
Omnicom Health Group	10	0.7

Actual 2016 Digital Revenue

Agency	Rank	\$bn
WPP ²	1	7.5
Publicis ³	2	5.8
Omnicom ⁴	3	4.7
Accenture Interactive	4	4.4
IBM iX	5	3.0
Dentsu ³	6	2.7
IPG ⁴	7	2.7
Deloitte Digital*	8	2.6
PwC Digital Services	9	2.1
Epsilon (Alliance Data)	10	1.2

Agency
Consultant
Other

* \$0.7bn of 2016 revenue for Deloitte Digital estimated on P.6 of "This is Deloitte Digital" report issued late 2014, growing from 2014 estimated revenue of \$0.5bn. No publicly available revenue information.

¹ Ad Age estimates as published May 2017

² WPP 2016 digital revenue 39% of total \$ revenue, including associates digital revenue of \$8.4bn

³ Publicis and Dentsu as disclosed in 2016 full year analyst presentations

⁴ Omnicom and IPG digital revenue based on Exane BNP Paribas estimates

Most Commonly Asked Questions

Second - Are Consultancies Eating Our Digital Lunch?
Estimate¹ of Significant 2017 Wins/Losses vs. Consultants

WPP Agency	Competitor	Account	Revenue (\$m)
Team WPP	Accenture	Automotive (confidential)	20
Wunderman ²	Accenture	Telecoms (confidential)	8
Wunderman ² /MSix	Deloitte Digital/Heat	Manulife	5
OgilvyRED	Accenture	Merck	4
Cognifide	Accenture	Colgate	4
VML	Deloitte Digital	Waters	3
VML	Accenture	General Dynamics	3
Wunderman	Accenture	Southern CA. Edison	3
Wunderman ²	PWC, Deloitte Digital	Merz	3

WINS > \$2.5m

Total Pitches	Number	Revenue (\$m)
Wins	47	83
Losses	30	27
Not awarded	2	4
Announced	79	114
Pending	23	57
Total	102	171

WPP Agency	Competitor	Account	Revenue (\$m)
JWT/Mirum	Deloitte Digital + Heat	Manulife	5
VML	Accenture	Stryker	3
Acceleration	IBM	Boots	3

LOSSES > \$2.5m

Shaded figures are Q4 wins/losses

¹ Internal estimate

² Wunderman includes Acceleration, Cognifide and Salmon

Most Commonly Asked Questions

Second - Are Consultancies Eating Our Digital Lunch?
Some Examples of Digital Transformation Clients

Automotive



Financial Services



FMCG



Personal Care & Drugs



Retail



Travel & Airline



Telecommunications



Most Commonly Asked Questions

Third - Are ZBB Driven Models, Activists and Private Equity Bringing Down Marketing Costs?
The Legacy Spectrum

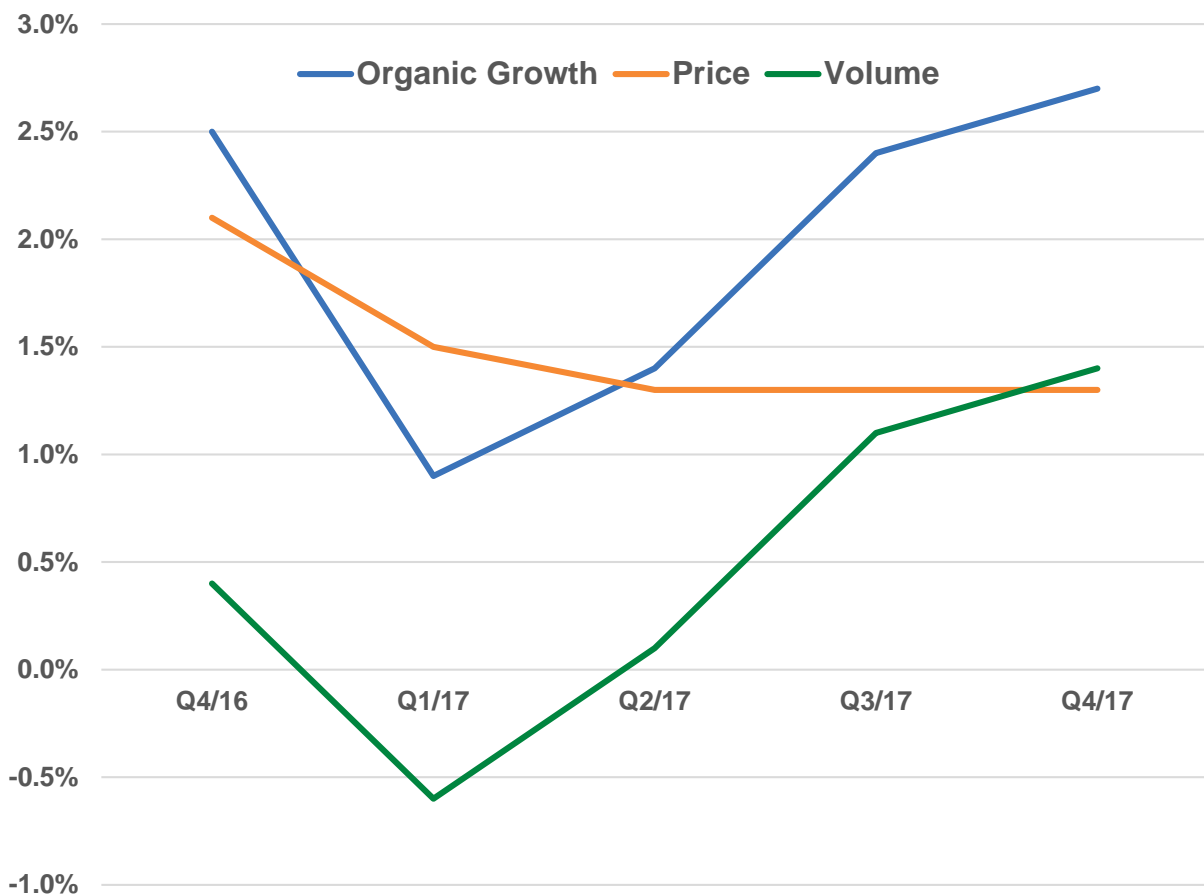


¹ Dan Loeb, Nelson Peltz strong proponents of increased marketing spend

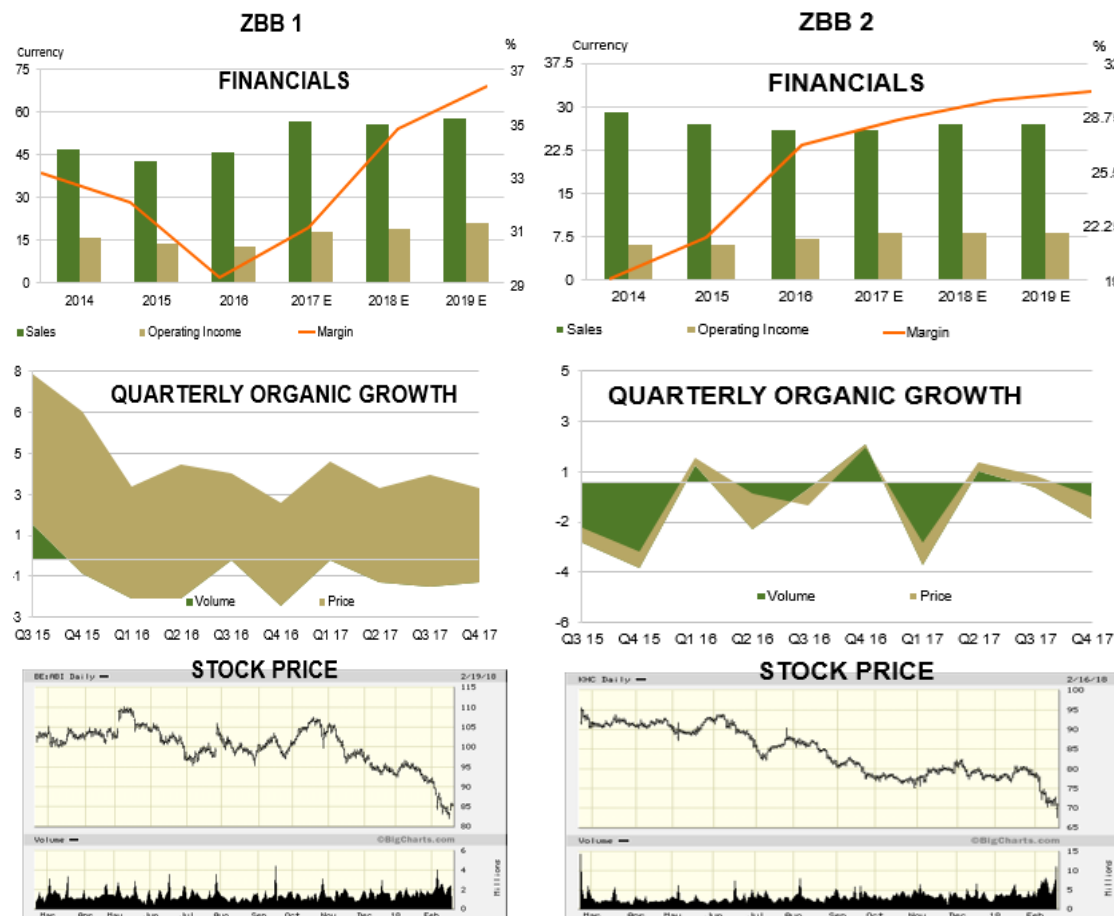
Most Commonly Asked Questions

Third - Are ZBB Driven models, Activists And Private Equity Bringing Down Marketing Costs?
Results Trends and Volume/Price Growth Trends Leading CPG clients vs. ZBB

Leading CPG Clients



ZBB Companies



Source: Company Reports, Bloomberg 2017

Most Commonly Asked Questions

Third - Are ZBB Driven Models, Activists and Private Equity Bringing Down Marketing Costs?
S&P 500 Revenue Growth by Sector Q4 2016 – Q4 2017

Sector	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017 ¹	Average	P/E	Market Cap 18/17 ²
Energy	4.2%	33.2%	15.6%	17.9%	18.3%	17.8%	19.7	-3%
Information Technology	7.3%	8.4%	8.9%	8.8%	12.9%	9.3%	19.3	34%
Materials	2.7%	9.1%	7.2%	8.6%	12.8%	8.1%	16.9	20%
Consumer Discretionary	7.8%	8.4%	3.8%	3.0%	6.5%	5.9%	27.5	24%
Real Estate	3.7%	4.5%	7.3%	5.2%	6.8%	5.5%	42.0	6%
Industrials	2.5%	4.0%	4.6%	6.5%	8.5%	5.2%	17.1	18%
Health Care	5.3%	5.7%	4.0%	4.5%	6.3%	5.2%	16.9	16%
Financials	5.5%	9.3%	4.5%	1.7%	3.6%	4.9%	13.7	19%
Utilities	8.1%	7.2%	6.4%	-2.7%	4.6%	4.7%	16.0	-
Consumer Staples	2.7%	2.1%	2.5%	4.5%	4.6%	3.3%	17.8	-6%
Telecoms	-2.9%	-4.8%	-1.3%	-1.0%	3.2%	-1.4%	10.6	-10%
Total	4.9%	7.8%	5.3%	5.3%	7.9%	6.2%	17.2	17%



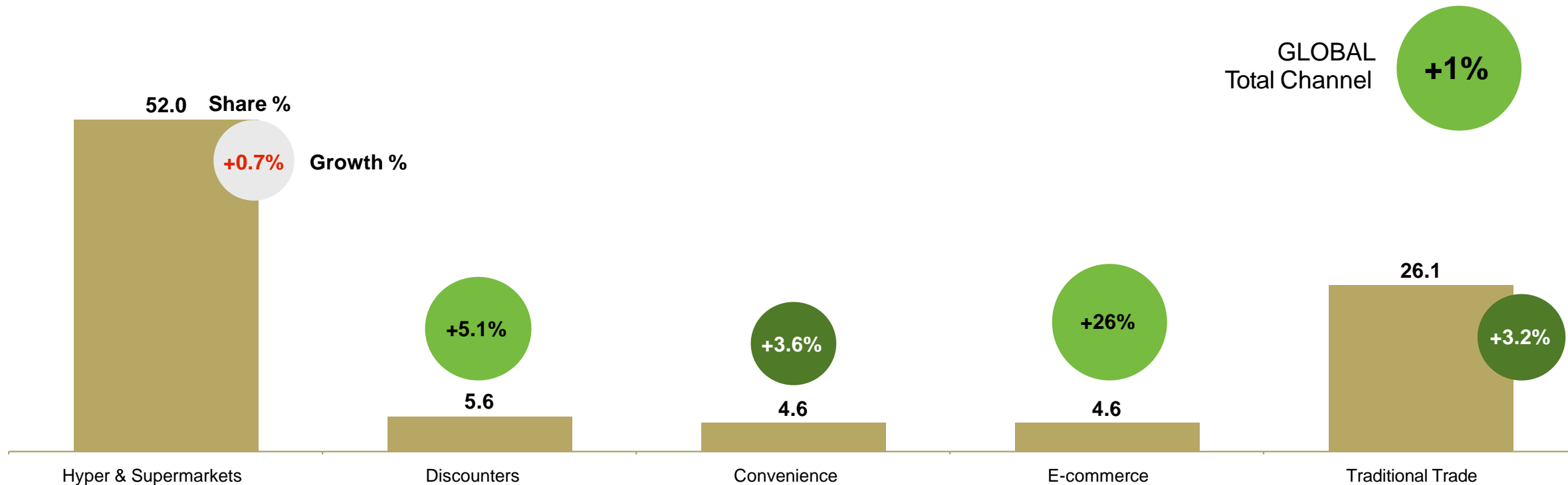
Source: Bloomberg

¹ Q4 2017, 441 out of 500 companies have reported

² 12 month change to 27 February 2018

Most Commonly Asked Questions

Third - Are ZBB Driven Models, Activists and Private Equity Bringing Down Marketing Costs?
Weak Retail Channel Growth Compounds the Volume Issue



Source: Kantar Worldpanel 2017

Most Commonly Asked Questions

Fourth - Are Clients Increasingly In-Housing Marketing Activities?

- Hogarth production management platform growing significantly, revenues tripled over last 4 years.
- Programmatic and performance agencies continuing to grow. Xaxis gaining traction with over 4,000 clients as effectiveness and efficiency become critical, reinforced by Plista in performance and Essence in digital media.
- Co-operating with clients on building in-house facilities. Media investment management, data investment management and public relations agencies participate in building and supporting client data, studio and programmatic capabilities. Recent data indicates in-house programmatic and content studios may be going out-house again.
- Have developed ZBB marketing models which deliver more cost effective, agile and responsive solutions.

Most Commonly Asked Questions

Fifth – Are Innovation and Branding Still Key?
The New Normal

**Low GDP
Growth**

**Low or No
Inflation**

**Little Pricing
Power**

**High Focus
on Costs**

Most Commonly Asked Questions

Fifth – Are Innovation and Branding Still Key?
Short Executive “Life Expectancy”

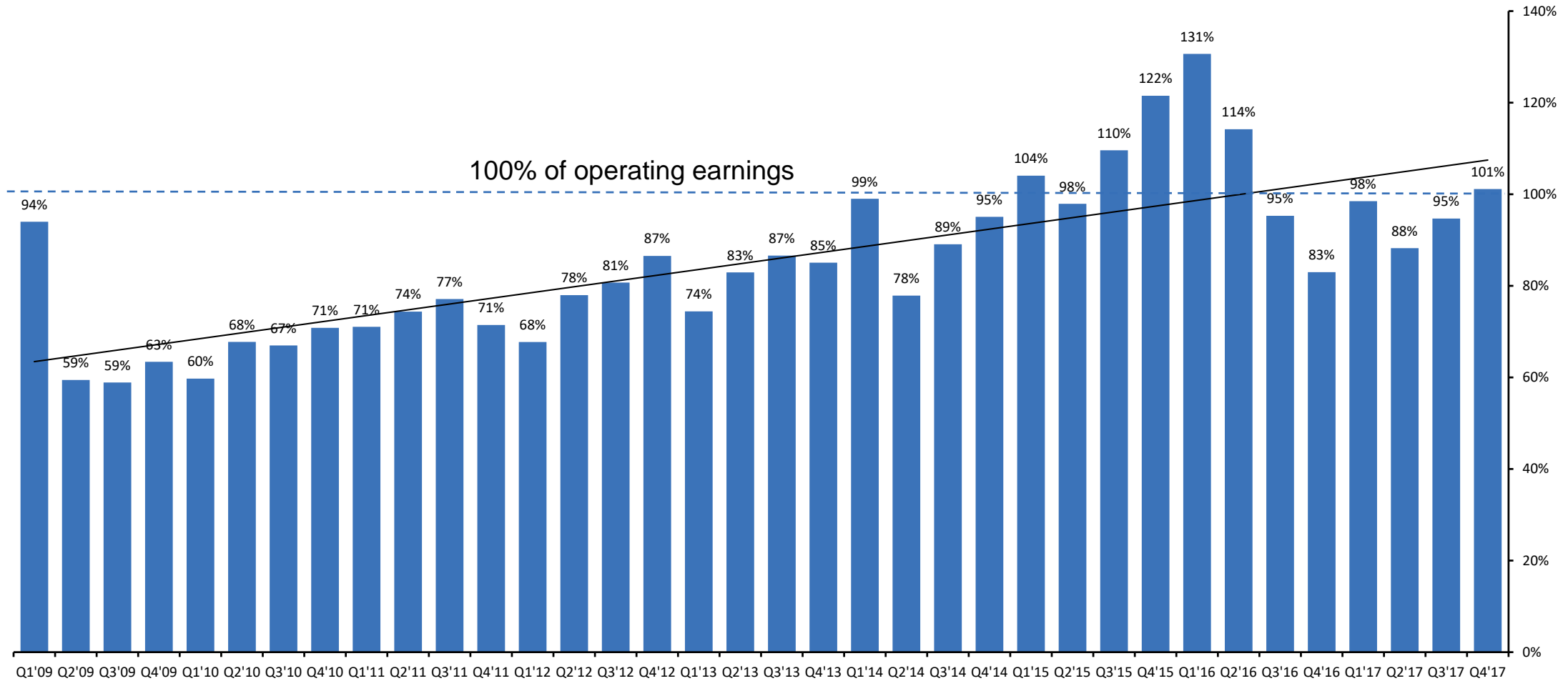
- CEO tenure 6 to 7 years
(FTSE 100 5.9 years, S&P 500 7.1 years)
- CFO tenure 4 to 5 years
(FTSE 100 4.1 years, S&P 500 4.8 with 50% less than 3 years)
- CMO tenure 2 to 3 years
(S&P 45 months)



Most Commonly Asked Questions

Fifth – Are Innovation and Branding Still Key?

S&P 500 Dividends & Buy-Backs as % of Operating Earnings



Source: S&P Capital IQ

Most Commonly Asked Questions

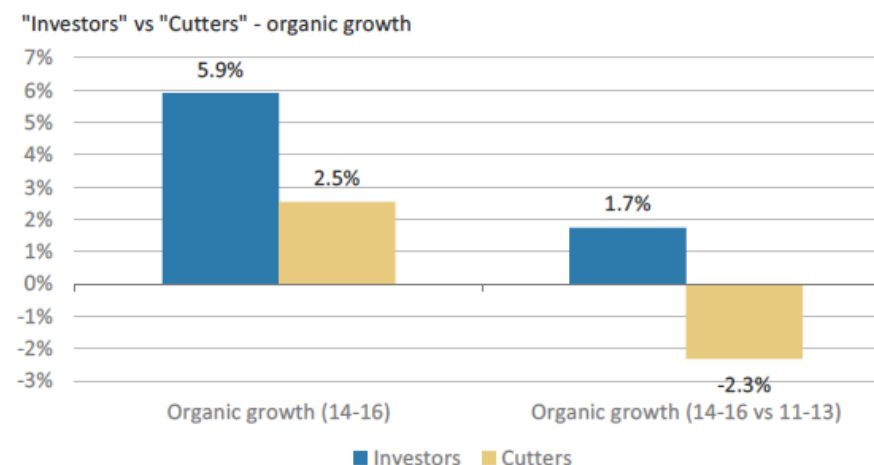
Fifth – Are Innovation and Branding Still Key? Investors and Cutters

Spending more on Advertising & Promotion correlates with faster organic sales growth.

“Analysing A&P spend across 40 global FMCG companies shows those that have been consistently increasing brand investment have on average 50% faster growth than peers that haven't. Not only does A&P spend boost sales, it also builds barriers to entry, which allows FMCG companies to earn returns far in excess of their cost of capital and ultimately drives valuation”.

- Morgan Stanley Research 'Brands are dead? A&P spend remains key in a digital world'.
November 6, 2017.

Exhibit 1: Between 2014-16 companies that invested in A&P grew faster than those that cut A&P as a % of sales

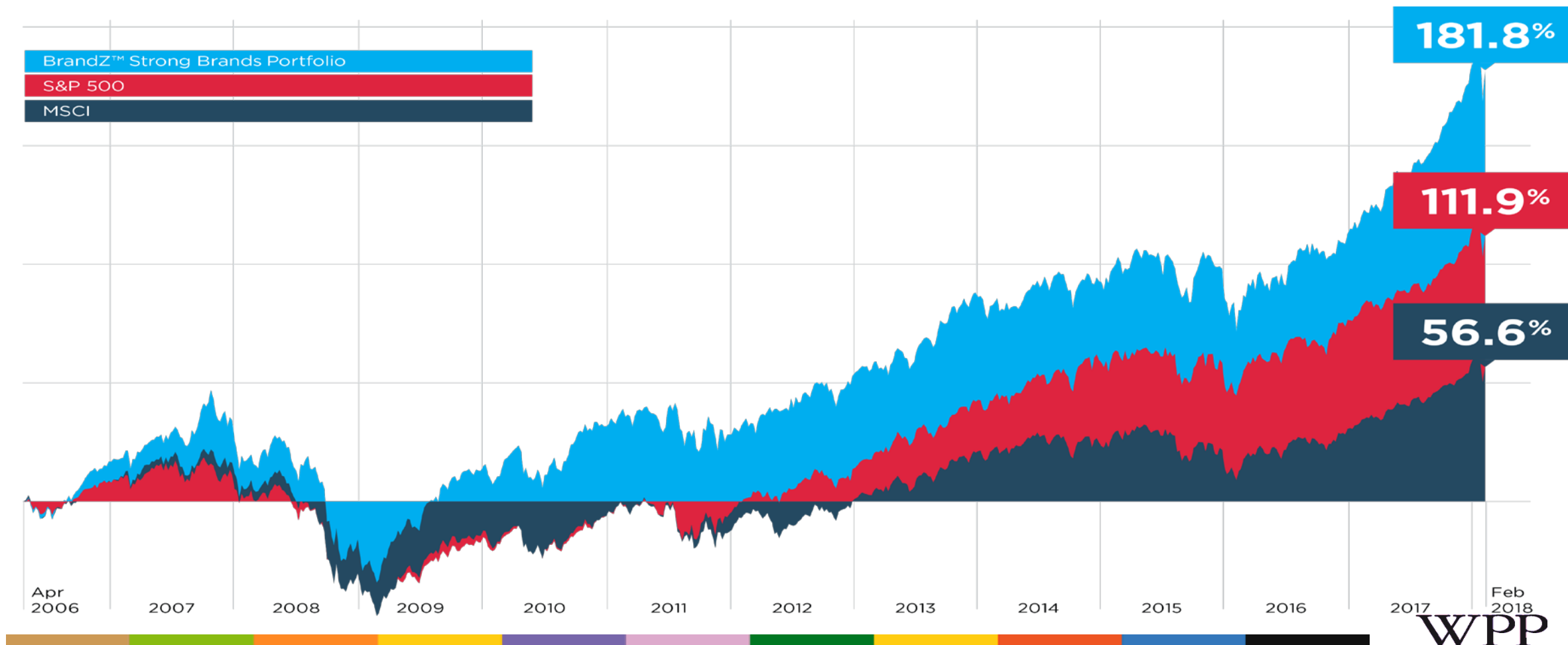


Source: Company data, Morgan Stanley Research

Most Commonly Asked Questions

Fifth – Are Innovation and Branding Still Key?

Strong Brands Generate Superior Shareholders' Return, Top 10 Global Brands Outperform S&P 500 by 60% and MSCI over 3x Over Last 11 Years





4 Our Structural Response



Our Structural Response

Acceleration of Strategic Focus

- Simplifying our verticals – Ogilvy with John Seifert’s Next Chapter; GroupM with Kelly Clark’s and Tim Castree’s Wavemaker; Kantar with Eric Salama’s Kantar First and Kantar Consulting; Donna Imperato’s leadership of Burson Cohn & Wolfe; Finsbury’s strategic partnership with Hering Schuppener and Glover Park Group; WPP Brand Consulting and consolidation at Superunion under Simon Bolton and Jim Prior; Mike Hudnall’s WPP Health & Wellness; Mark Read’s Wunderman with POSSIBLE, Salmon, Cognifide and Acceleration; Jon Cook’s VML with Rockfish.
- Stronger client co-ordination across Group - 51 client leaders, 1/3 of revenue and overseeing client relationships on integrated firm-wide basis, not solely on vertical by vertical or country by country.
- Appointing country and sub-regional leaders - to ensure integration of offers at country level, particularly with growth of local/regional “piranha” or “gladiator” brands, concentrate not only on best local clients but best people and acquisitions on market by market basis. Recent appointments of Shenang Chuang (Taiwan), Mathieu Morgenstern (France), Karen Blackett (UK) and Sergio Armado (Brazil). Now cover approximately half of the countries in which we operate.
- “Horizontalizing” functions, systems, platforms - that clearly provide client-differentiating services for both our integrated offer and our brands. Started in finance, talent, IT, property and practices eg retail, brand valuation, government, and now our production management platform (Hogarth). Examining how digital transformation, eCommerce and shopper platforms, systems and capabilities can be made available horizontally across the Group. Involved in digital strategy, transformation and disruption with clients, and will be ensuring these capabilities easily accessible and combine effectively with verticals.

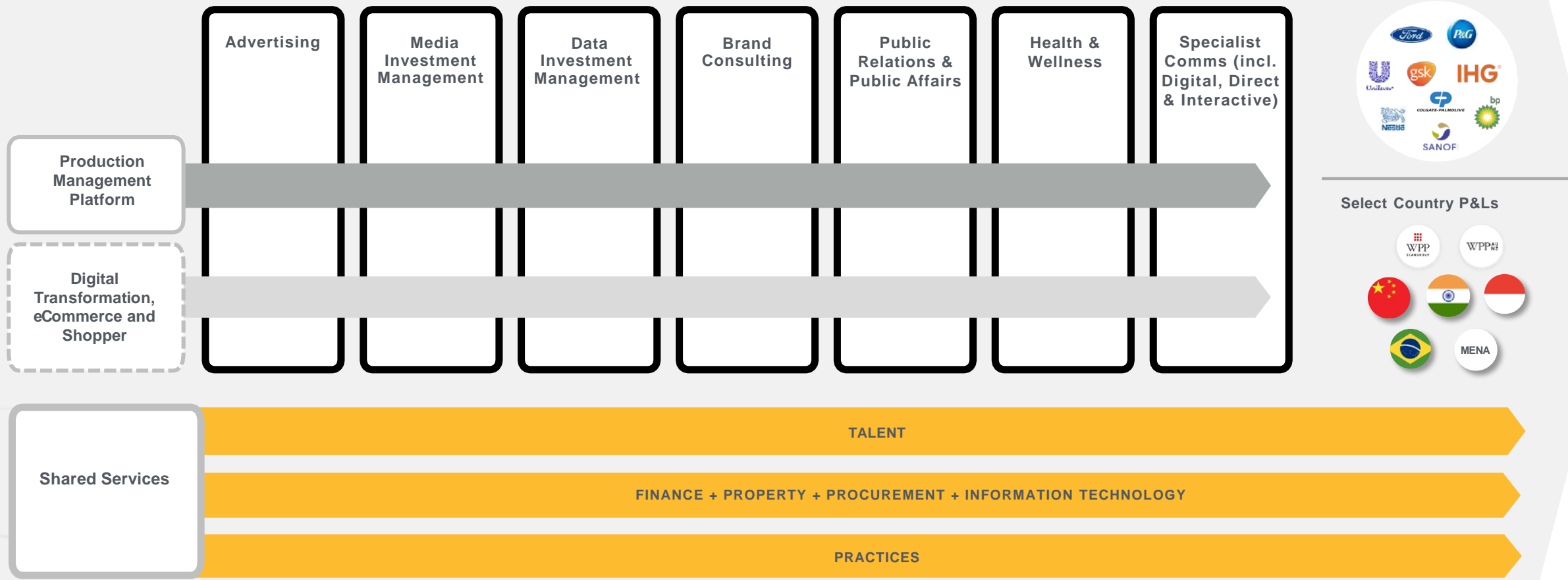


Our Structural Response

Acceleration of Strategic Focus

“Horizontalizing” Functions, Systems, Platforms

NEXT PHASE OF SIMPLIFICATION





5 Outlook and Conclusions



Conclusions 2017

Not a Pretty Year With Flat Top-Line Growth and Margins

- Reported revenue and revenue less P-T¹ costs growth 6%, like-for-like revenue less P-T¹ costs -0.9%, reported margin down 0.1 margin points but flat constant currency and like-for-like. Reported headline diluted EPS of 120.4p up over 6%.
- Increased return on equity of 16.9% versus lower WACC of 6.3% and dividend increased to 60.0p, up 6.0% and 50% pay-out ratio.
- Average Net Debt to EBITDA ratio of 2.0x – top of our 1.5x to 2.0x target range.
- FX tailwind reduces and becomes headwind from Q4 2017 +14% Q1, +10% Q2, +2% Q3, -3% Q4, 4.5% FY.
- Net new business \$6.330 billion in year continues good overall performance seen in first nine months and leading positions in net new business tables.
- Slow start to 2018 with January like-for-like revenue flat and revenue less P-T¹ costs down 1.2%, but above budget.
- Focus on simplification of structure including verticals, client and country management and enterprise-wide alignment of digital systems, platforms and capabilities.

¹ Revenue less pass-through costs, previously net sales

Outlook for 2018

Our Updated Financial Model

- Organic revenue and revenue less P-T¹ costs growth of 0-5% in line with market growth.
- Margin improvement of 0 to 0.3 margin points or more before currency movements, depending on revenue less P-T¹ costs growth and staff cost/revenue less PT¹ costs ratio improvement of 0.2 margin points or more.
- Use of our substantial cash flow to enhance EPS through acquisitions, share buy-backs and debt reduction.

Acquisitions £300m-£400m

Share buy-backs 2-3%

Pay-out ratio 50%

- This would deliver 5-10% of EPS growth.

¹ Revenue less pass-through costs, previously net sales

Outlook for 2018

- Budgets, with operating companies encouraged to budget extremely conservatively, indicate
 - Flat like-for-like revenue and revenue less P-T¹ costs growth, with a stronger second half.
 - Flat constant currency operating margin to revenue less P-T¹ costs.
 - Acquisitions to add ca. 2-3% to revenue and revenue less P-T¹ costs.
 - At current exchange rates the full year currency impact is 4% decrease to revenue and revenue less P-T¹ costs.
- Prime focus to grow revenue and revenue less P-T¹ costs faster than industry average driven by leading position in horizontality, faster growing markets and digital, premier parent company creative and effectiveness position, new business and strategically targeted acquisitions.
- Meet operating margin objectives by managing absolute costs and increase flexibility to adapt cost structure to significant market changes.

¹ Revenue less pass-through costs, previously net sales



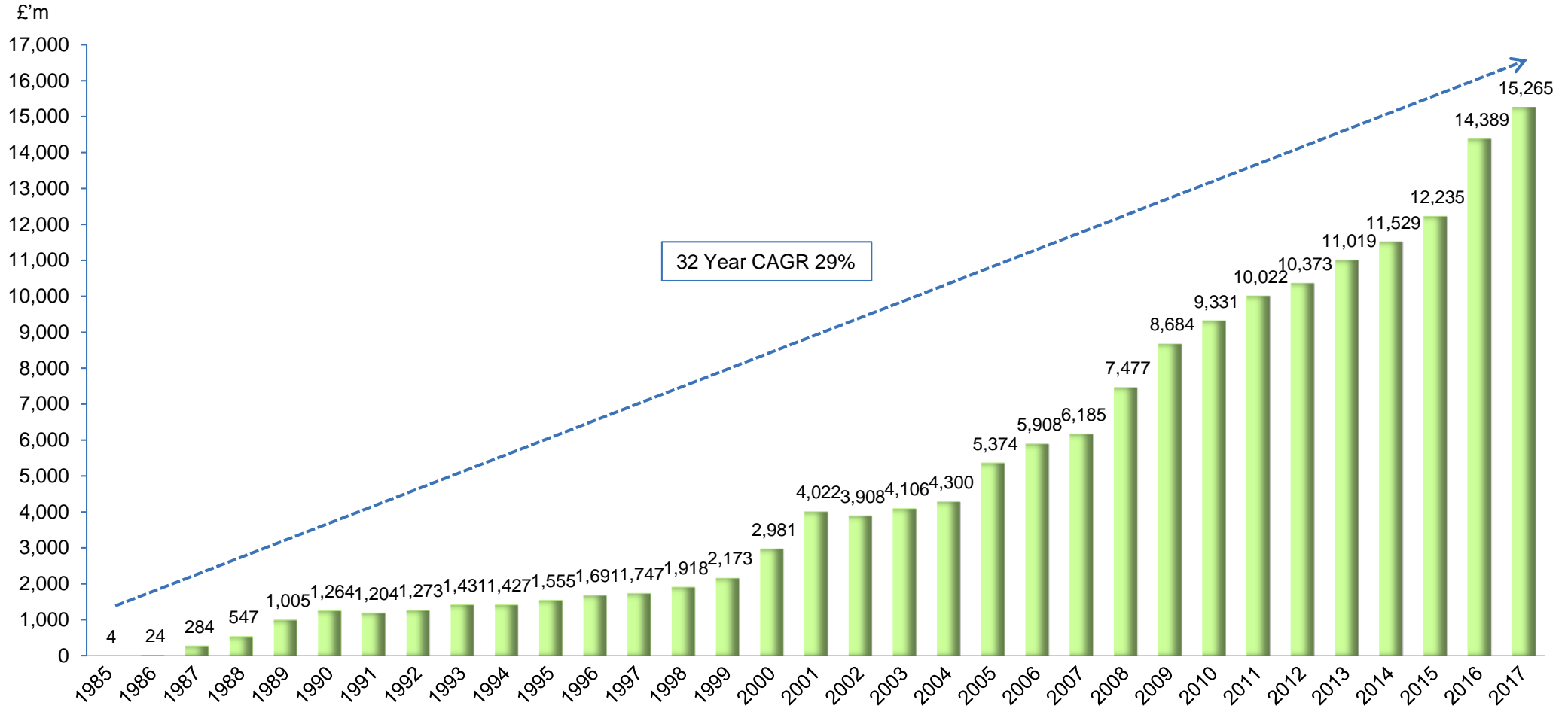
6 32 Year History

(Hard Copy Only)



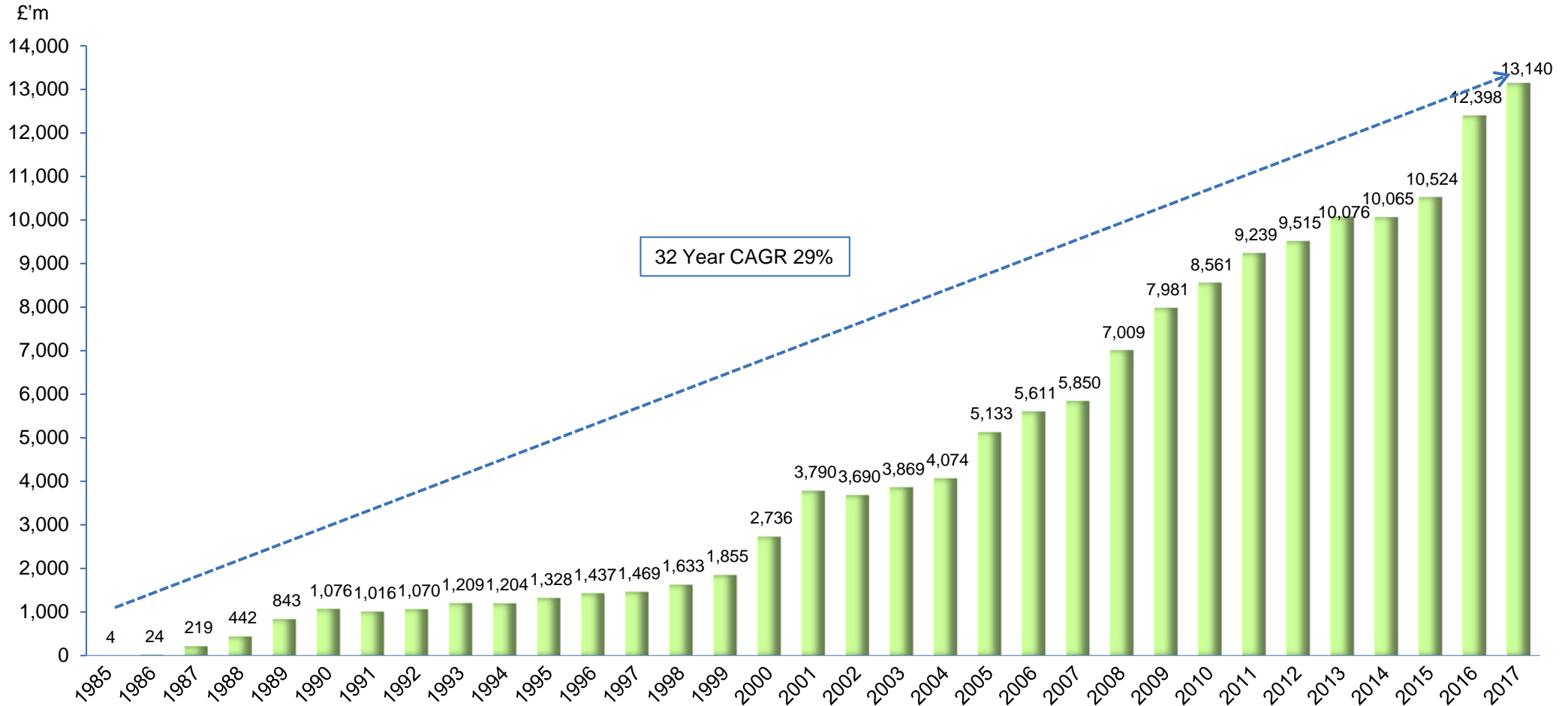
32 Year History

WPP Reported Revenue



32 Year History

WPP Revenue Less P-T¹ Costs



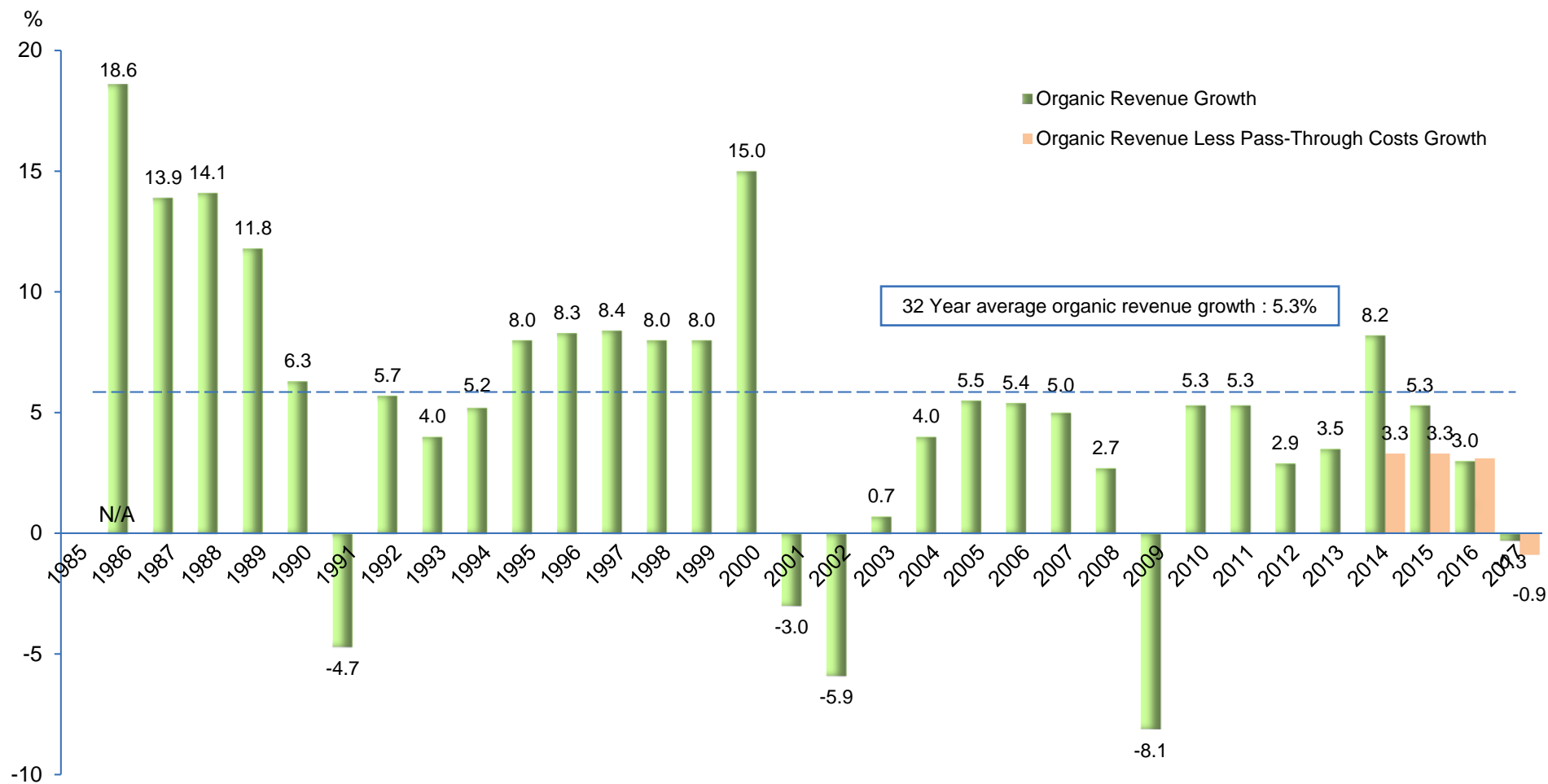
32 Year CAGR 29%



¹ Revenue less pass-through costs, previously net sales

32 Year History

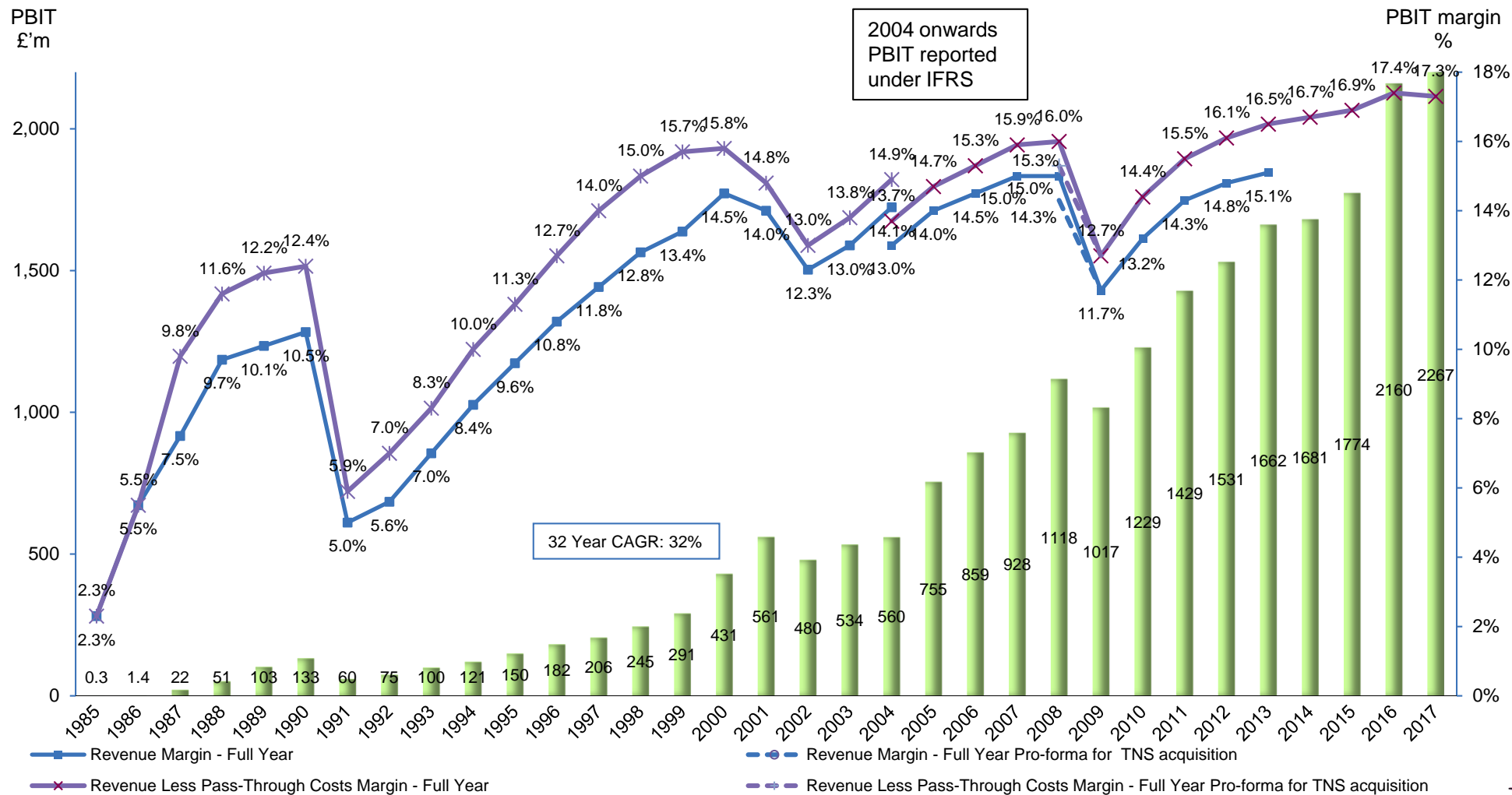
WPP Organic Growth



Note: Estimates for 1985-1990

32 Year History

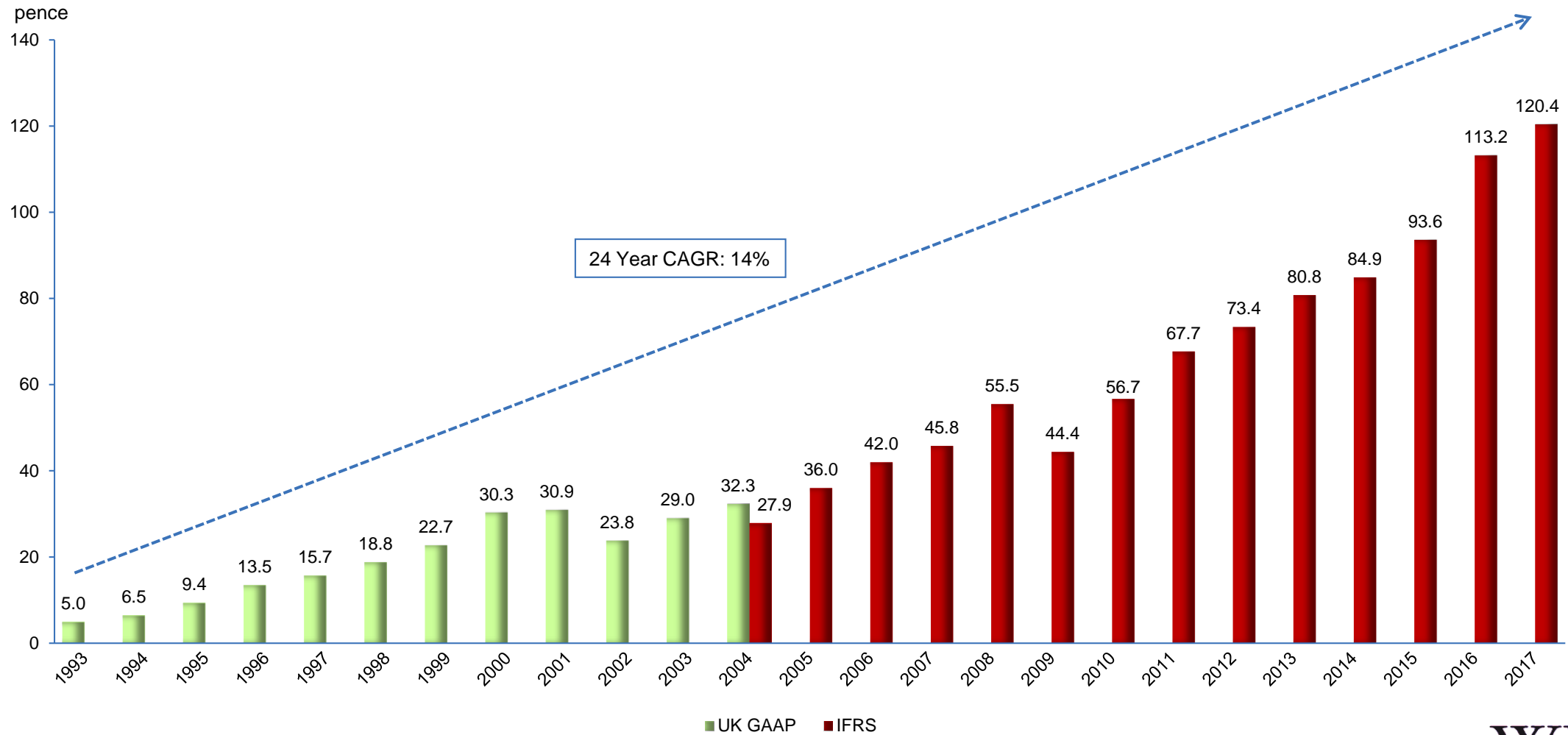
WPP PBIT and Margins



Note: Headline PBIT includes associates and excludes goodwill and intangible charges, gain on sale of New York property, restructuring charges, costs of changes in corporate structure, gains/losses on disposals of subsidiaries and investments, investment write-downs and share of exceptional gains/losses of associates, restructuring costs and IT asset write-downs. For 2004 onwards, headline PBIT has been prepared under IFRS. 2003 and prior periods are in accordance with previous UK GAAP.

32 Year History

WPP Headline Diluted EPS Post 1992 Rights Issue



Note: 1993 adjusted to reflect 1992 rights issue. Headline Diluted EPS

7 Other Information

(Hard Copy only)

- 7.1 Further Revenue Analysis
- 7.2 Financial Information Relating to Income Statement
- 7.3 Acquisitions
- 7.4 Share Owner Returns Information
- 7.5 Competitor Information



7.1 Further Revenue Analysis *(Hard Copy only)*



Results for 2017

Our Billion \$ Revenue Brands



Our 9 'Billion Dollar Brands'

Nine WPP brands have generated revenues of \$1 billion or more

Results for 2017

Improving the Creative Reputation of all our Businesses

Network ¹	
1	BBDO
2	Ogilvy & Mather
3	McCann
4	Y&R
5	DDB
6	Grey
7	TBWA
8	Publicis
9	Leo Burnett
10	FCB
11	Havas
12	J. Walter Thompson

¹ Ranked by number of points awarded

CANNES LIONS 2011-2017
HOLDING COMPANY OF THE YEAR



EFFIE AWARDS 2012-2017
MOST EFFECTIVE HOLDING COMPANY



Ogilvy & Mather
Cannes Network of the Year
2012-2016



3 out of the top 6 Cannes
networks of the year



2 out of the top 4 Cannes
agencies of the year



Ogilvy & Mather
EFFIE Most Effective Agency
Network 2012, 2013 and 2016



WPP
WARC Most Effective
Holding Company
2014, 2015 and 2016



Grey Global Agency of the
Year 2014



Results for 2017

Revenue by Industry

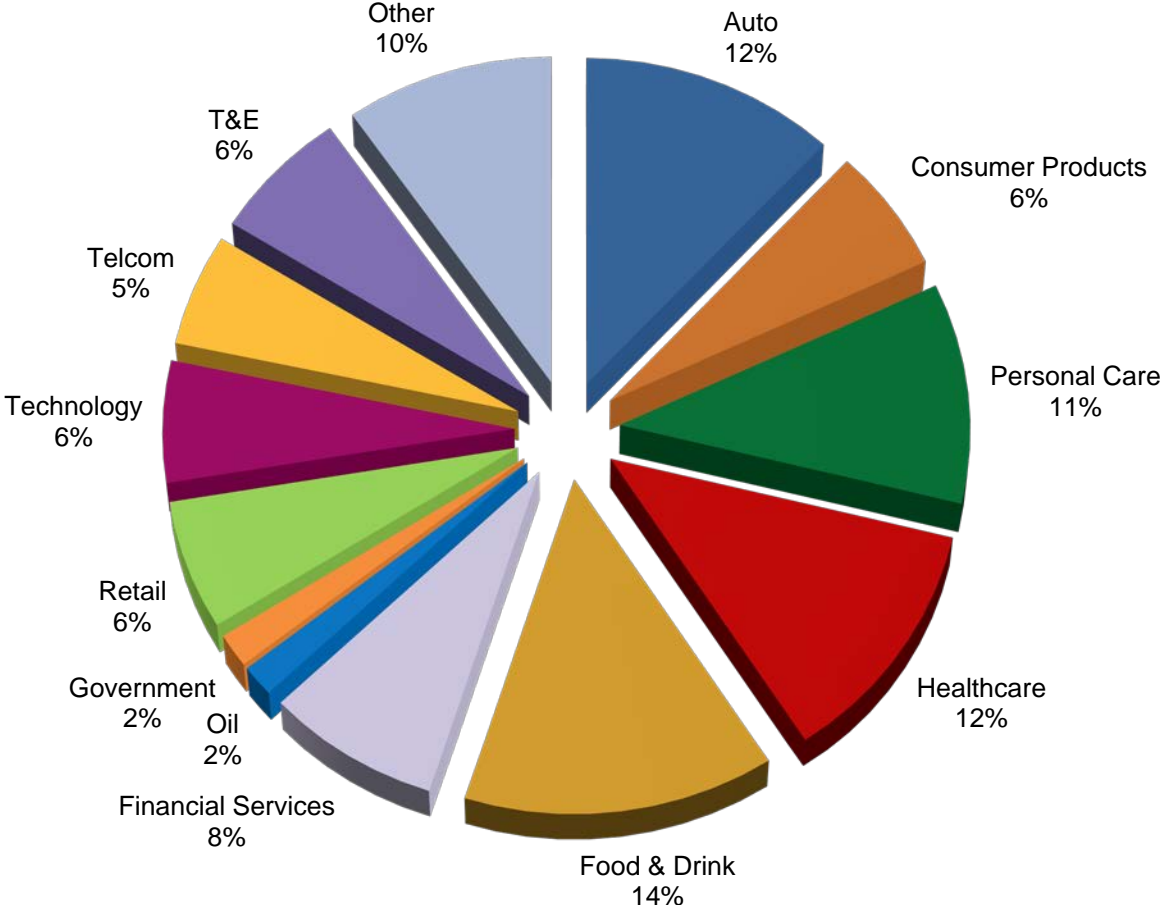


Chart represents the amount of revenue attributed to each industry expressed as a percentage of the total revenue from WPP's designated clients (over 3,000) for the period ended 31 December 2017

Results for 2017

Revenue Less P-T Costs Growth¹ by Category

Revenue less P-T costs Growth ¹	Categories
More than 5%	Electronics
0% to 5%	Computers, Media & Entertainment, Financial Services, Oil, Retail
Less than 0%	Automotive, Drinks, Food, Government, Personal Care & Drugs, Telecommunications, Travel & Airline

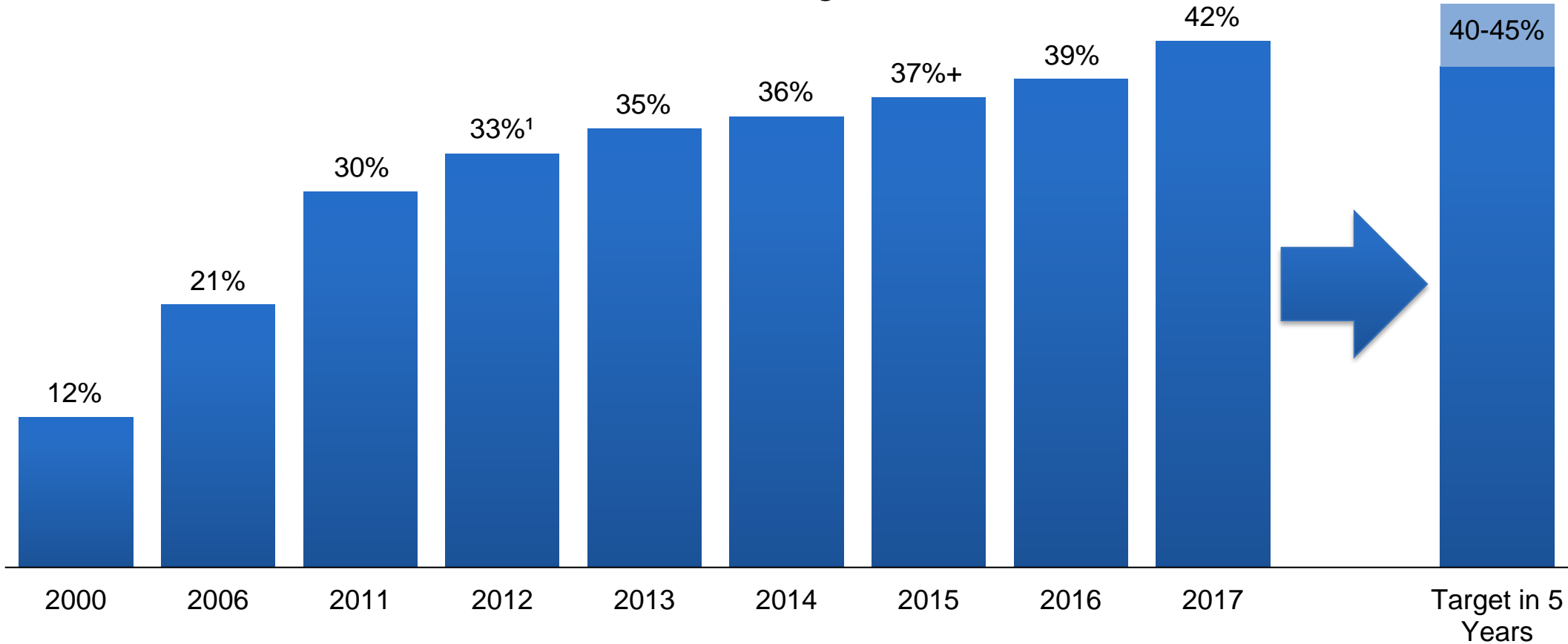
¹ Like-for-like growth of revenue less pass-through costs, previously net sales

Results for 2017

Revenue Share Continues to Increase



WPP Share of Digital Revenue



¹ Including AKQA Pro-Forma



Results for 2017

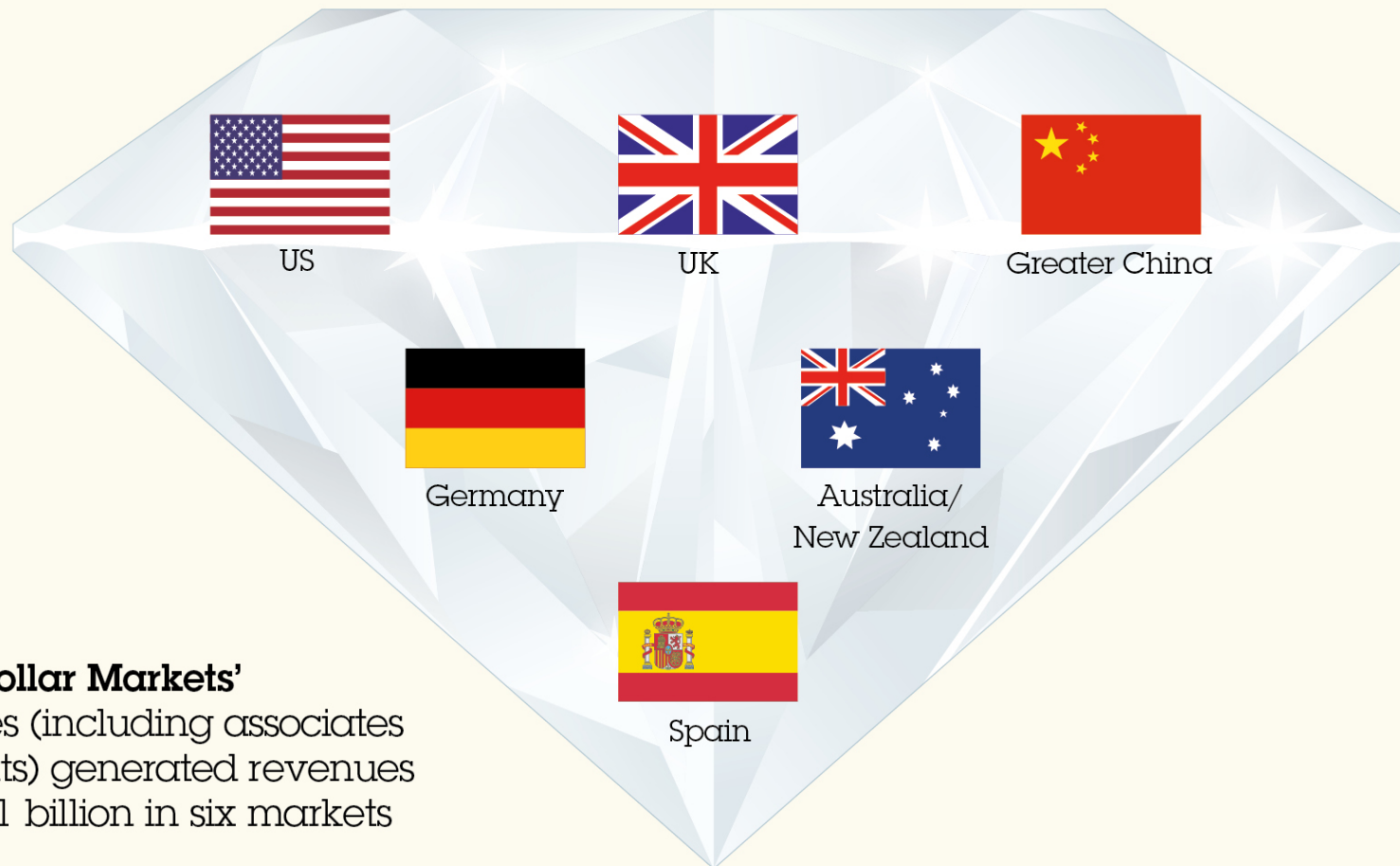
WPP Position in Direct, Digital and Interactive

Full Year 2017	Revenue \$'m
Direct, Digital and Interactive Networks (Ogilvy, Wunderman, Geometry, VML, WPP Digital, Mirum & AKQA)	3,556
% of Group revenue	18%
Specialist Direct, Digital and Interactive resources:	
- Data Investment Management (Millward Brown, TNS and Lightspeed)	1,155
- GroupM	2,361
- Other	1,144
Total Full Year 2017¹	8,216
% of Group revenue	
Full Year 2017	42%
Full Year 2016	39%

¹ Like-for like Digital revenue grew by 2.5% and Digital net sales by 2.0%

Results for 2017

Our Billion \$ Revenue Markets



Our 6 'Billion Dollar Markets'

WPP companies (including associates and investments) generated revenues of more than \$1 billion in six markets

Results for 2017

Revenue less P-T Costs Growth¹ by Country

Revenue less P-T Costs Growth Top Countries

More than 10%

Argentina

5% to 10%

Indonesia

0% to 5%

Belgium, Brazil, Denmark, Philippines, South Africa, Thailand, UK

Less than 0%

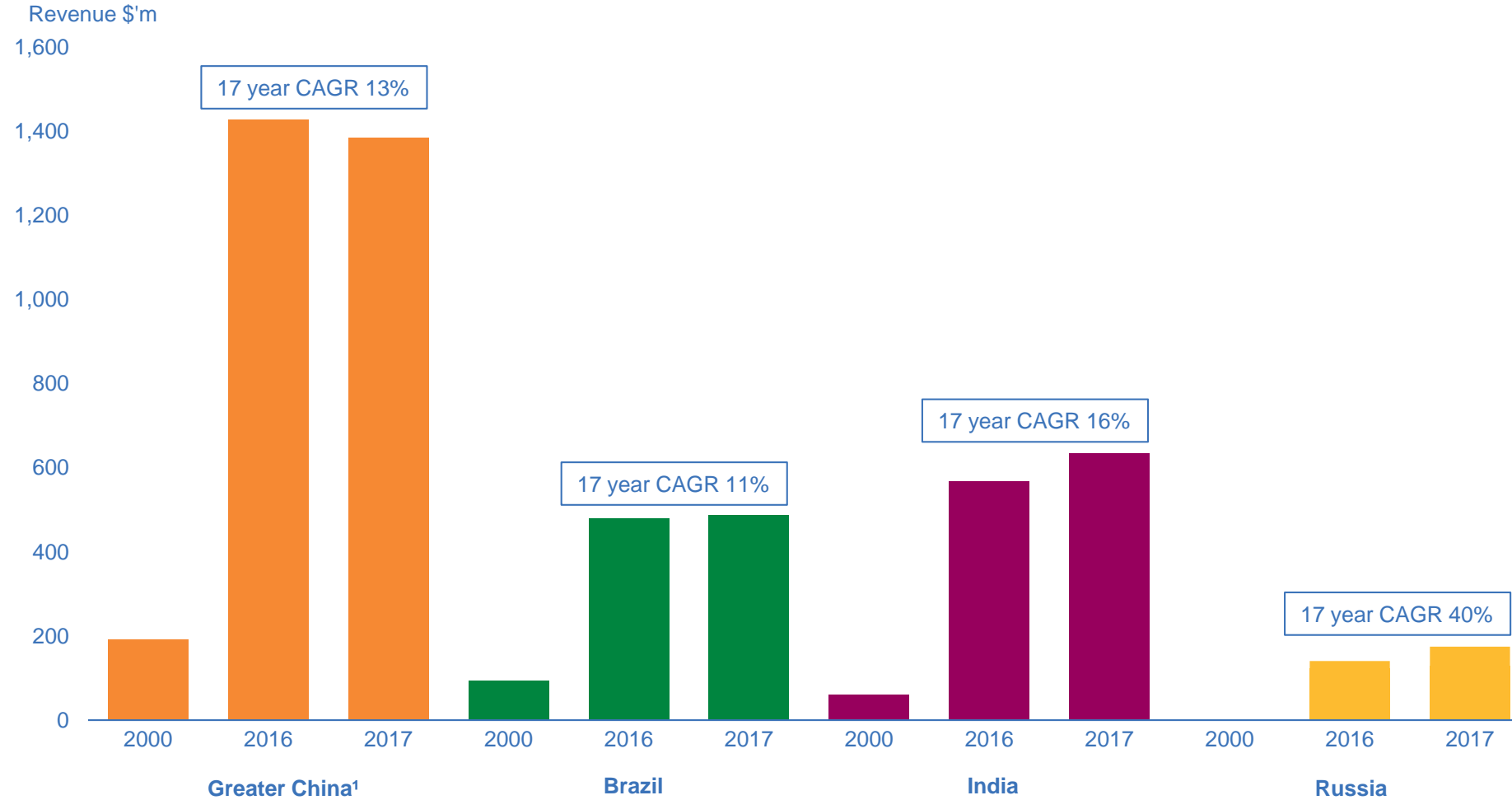
Australia, Canada, Greater China², Mainland China, Dubai, France, Germany, India, Italy, Japan, Mexico, Netherlands, Poland, Russia, Singapore, South Korea, Spain, Sweden, Switzerland, Turkey, USA

¹ Like-for-like growth of revenue less pass-through costs, previously net sales

² Includes Hong Kong and Taiwan

Results for 2017

WPP's Performance Remains Strong in BRICs Markets



¹ Includes Hong Kong and Taiwan

Results for 2017

WPP in Faster Growing Markets

Region	Market	Billings ¹ \$bn	% Share ¹	Rank ¹	12 month ² Revenue \$bn	People ² '000
Asia Pacific:	Greater China ³	11.6	36%	1	1.4	13
	India	4.8	50%	1	0.7	19
	Thailand	0.9	35%	1	0.2	2
LatAm:	Brazil	n/a	n/a	1 ⁴	0.5	7
	Mexico	1.1	28%	1	0.2	2
	Argentina	0.6	24%	3	0.6	8
Other:	Africa ⁵ /Middle East	3.2	31%	1	0.8	32
	Russia	1.1	17%	3	0.2	2
	Poland	1.1	37%	1	0.1	2

¹ Source RECMA 2016 overall billings as issued July 2017

⁴ WPP estimate, including digital and traditional media billings

² 12 months to 31 December 2017 including associates, people at 31 December 2017

⁵ Africa is South Africa only

³ Includes Hong Kong and Taiwan

Results for 2017

51 Account Teams – one-third of revenue with over 38,000 WPP employees working on these clients



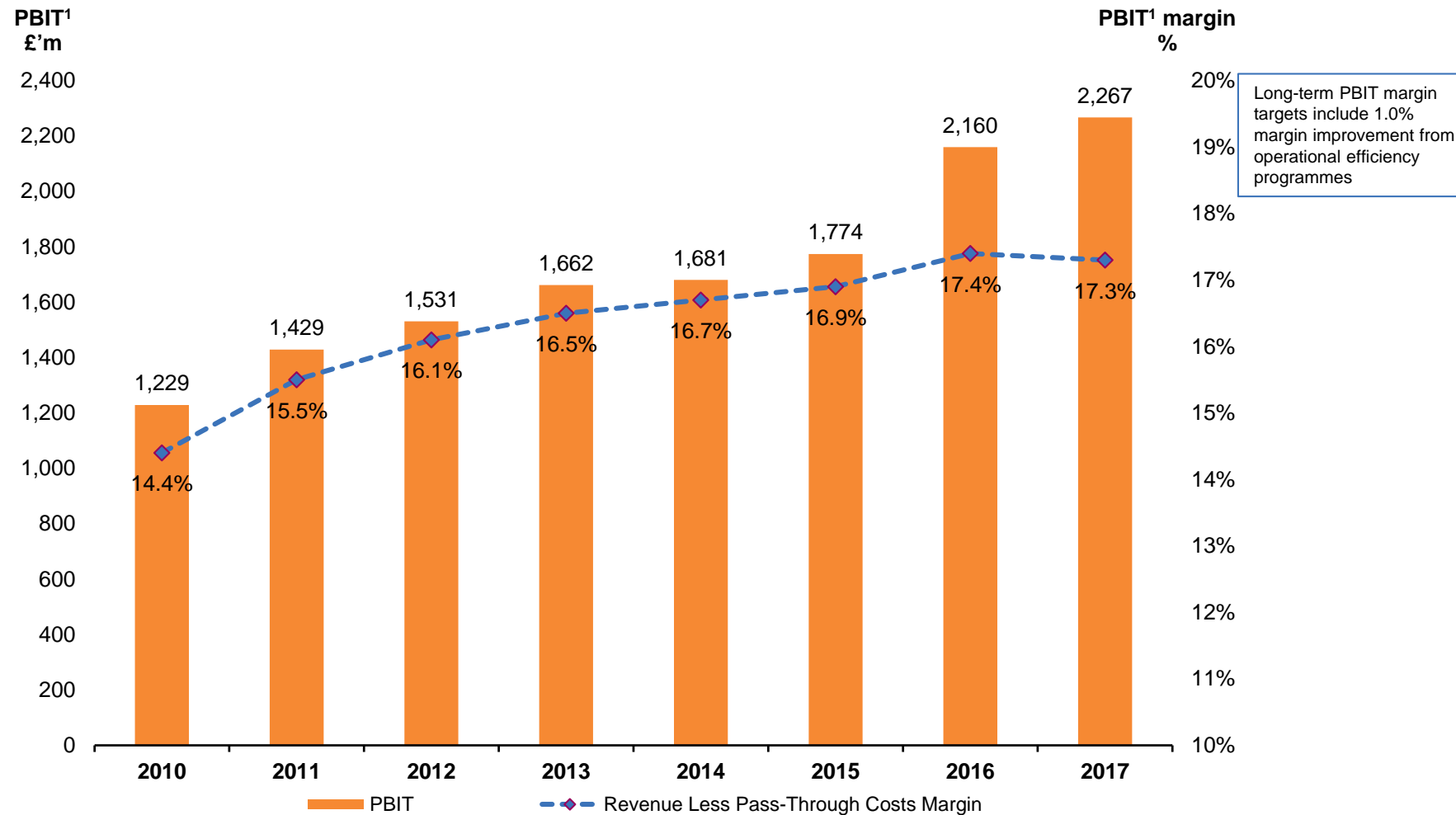


7.2 Financial Information Relating to Income Statement *(Hard Copy only)*



Results for 2017

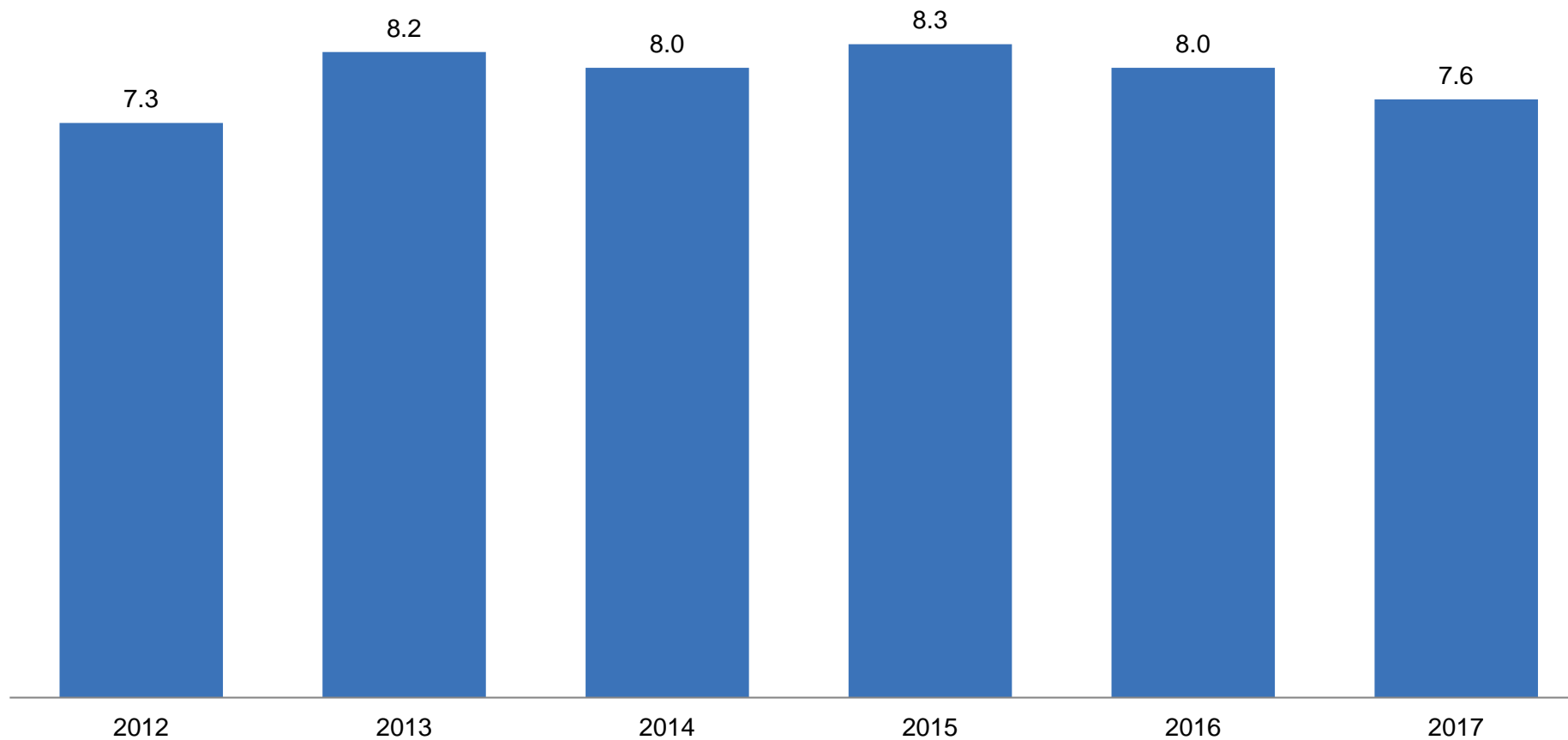
Improving Operating Margins



¹ Figures before goodwill and intangibles charges, gain on sale of New York property in 2012, restructuring charges, costs of changes in corporate structure, gains/losses on disposals of subsidiaries and investments, investment write-downs, share of exceptional gains/losses of associates, restructuring costs and revaluation of financial instruments

Results for 2017

Maintaining Flexibility in The Cost Base - Change in Variable Costs¹



■ Variable Staff Costs as % of Revenue Less Pass-Through Costs

¹ Freelance, consultants and incentive costs

Results for 2017

Net Finance Costs

£m	2017	2016	B/(W)
Net debt interest	180	177	(3)
Investment Income	(16)	(12)	4
IAS 19 (Pensions)	10	9	(1)
Sub-total	(6)	(3)	3
Headline finance costs	174	174	-
IAS 39 (Financial Instruments)	(261)	48	309
Net finance costs	(87)	222	309

Results for 2017

Pensions Deficit

£m	2017	2016
Deficit B/F	(277)	(229)
Service cost	(13)	(22)
Plan liabilities interest charge	(33)	(37)
Funding	68	44
Investment returns	40	97
Change in valuation assumptions ¹	4	(85)
Other movements	(3)	1
Movements in the year excluding FX	63	(2)
Foreign exchange impact	8	(46)
Deficit C/F	(206)	(277)
Asset Allocation		
Bonds and insured annuities	75%	67%
Equities	13%	17%
Other	12%	16%

¹ Primarily due to a 18 basis point decrease in discount rates in 2017 (2.77%) compared with 2016 (2.95%) and a 68 basis point decrease in discount rates in 2016 (2.95%) compared with 2015 (3.63%)

Results for 2017

Earnout Accrual

2017 Rollforward	£m	Expected Payments	£m
31 December 2016	977	2018	181
Earnouts paid	(199)	2019	128
New acquisitions	164	2020	144
Revised estimates taken to goodwill	(61)	2021	58
Revaluations of payments	(209)	2022	103
Excluding FX	672	2023+	17
Foreign exchange impact	(41)	Total	631
31 December 2017	631		

Results for 2017

Ordinary Shares – Diluted

	December 2017 Actual	December 2016 Actual	
No. of Shares (million)			
Average Basic	1,261	1,278	
Share Option Dilution	2	2	
Other Potentially Issuable Shares	13	16	
Diluted Shares	1,276	1,296	1.5%

Results for 2017

Ordinary Shares - Basic

	December 2017 Actual	December 2016 Actual	
No. of Shares (million)			
1 January	1,332	1,329	
Option exercise	1	3	
31 December	1,333	1,332	-0.1%
Weighted Average	1,332	1,330	
ESOP, Treasury & Other	(71)	(52)	
Average Basic	1,261	1,278	1.3%

Results for 2017

Effects of Currency

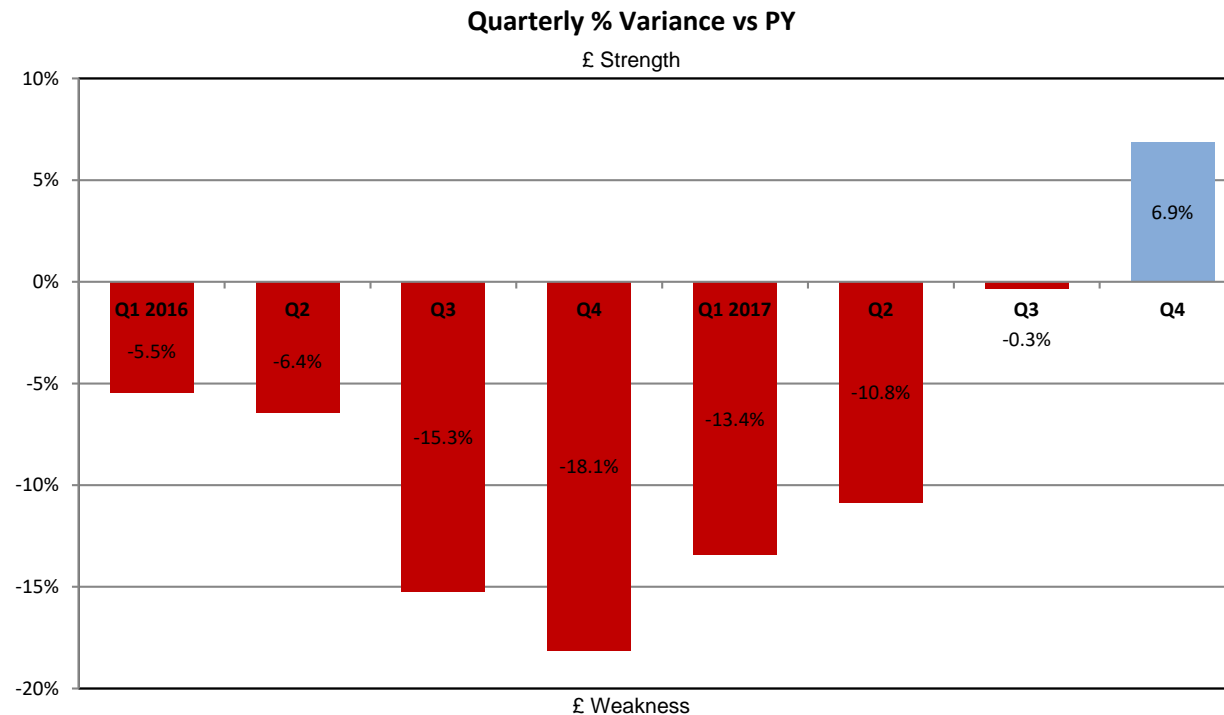
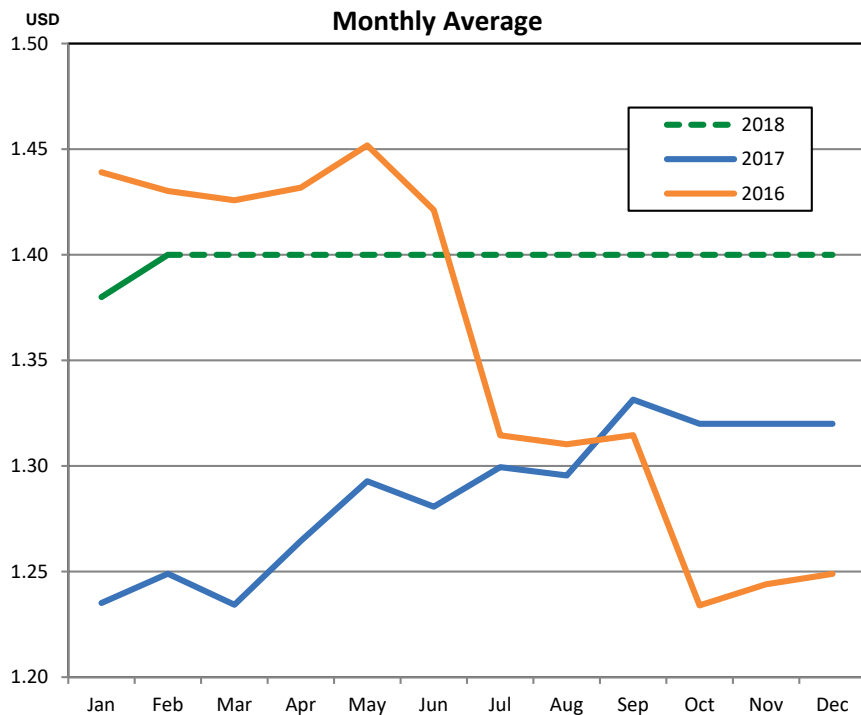
	2017	2016	Sterling Weaker
US\$	1.29	1.35	-4%
€	1.14	1.22	-7%
¥	145	147	-1%
Chinese Renminbi	8.7	9.0	-3%
Brazilian Real	4.11	4.74	-13%
Australian \$	1.68	1.82	-8%
Canadian \$	1.67	1.80	-7%
Indian Rupee	84	91	-8%
Singapore \$	1.78	1.87	-5%
Russian Rouble	75	91	-18%
South African Rand	17.2	20.0	-14%

Revenue less pass-through costs were increased by £638m and headline PBIT¹ by £67m as a result of weakness of £ sterling versus prior year.

¹ Figures before goodwill and intangibles charges, gains/losses on step-ups, gains/losses on disposals of subsidiaries and investments, investment write-downs, share of exceptional gains/losses of associates and restructuring costs

Results for 2017

24 month US\$ range 1.23 to 1.45

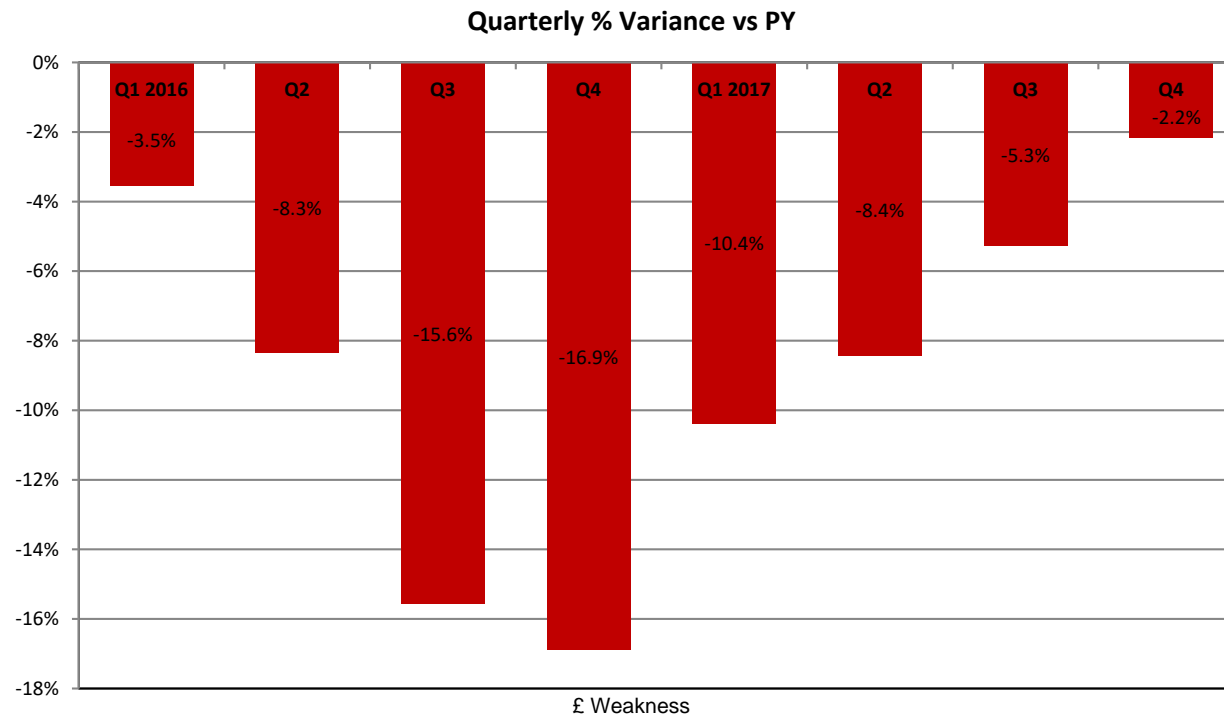
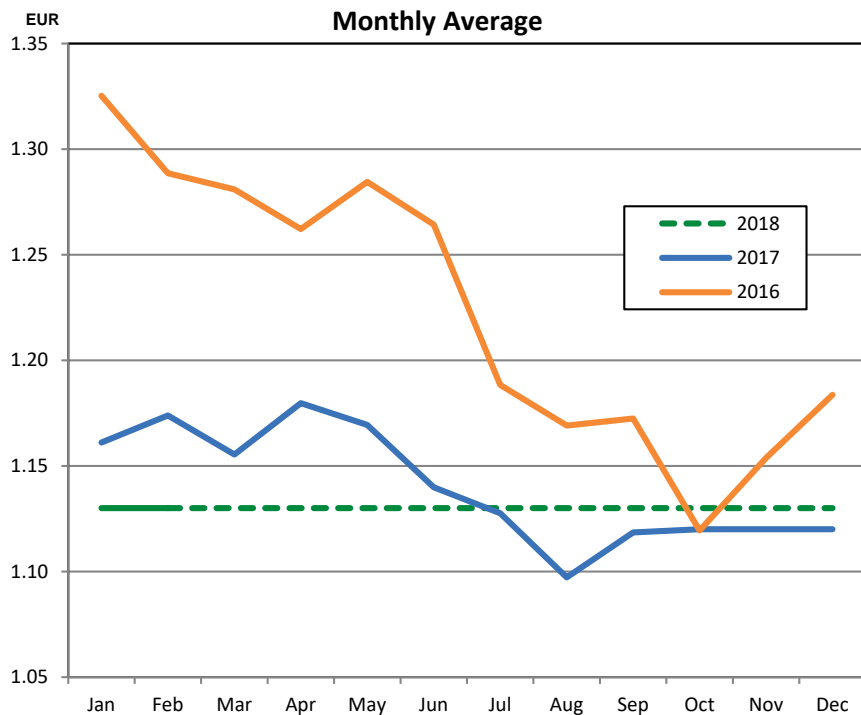


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2017 Monthly Average	1.24	1.25	1.23	1.26	1.29	1.28	1.30	1.30	1.33	1.32	1.32	1.34
% change vs PY	-14.2%	-12.7%	-13.4%	-11.7%	-11.0%	-9.9%	-1.1%	-1.1%	1.3%	7.0%	6.3%	7.3%
Quarterly Average		Q1	1.24		Q2	1.28		Q3	1.31		Q4	1.33
% change vs PY			-13.4%			-10.8%			-0.3%			6.9%

Jan 2016 to Jan 2018 are based on average monthly rates, Feb - Dec 2018 are based on latest estimate and set at US\$1.40 to £1

Results for 2017

24 month € range 1.10 to 1.33

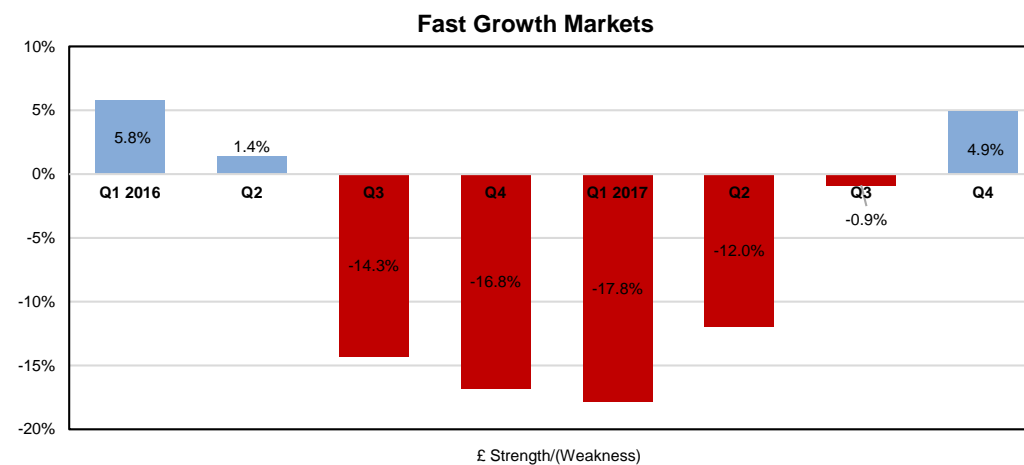
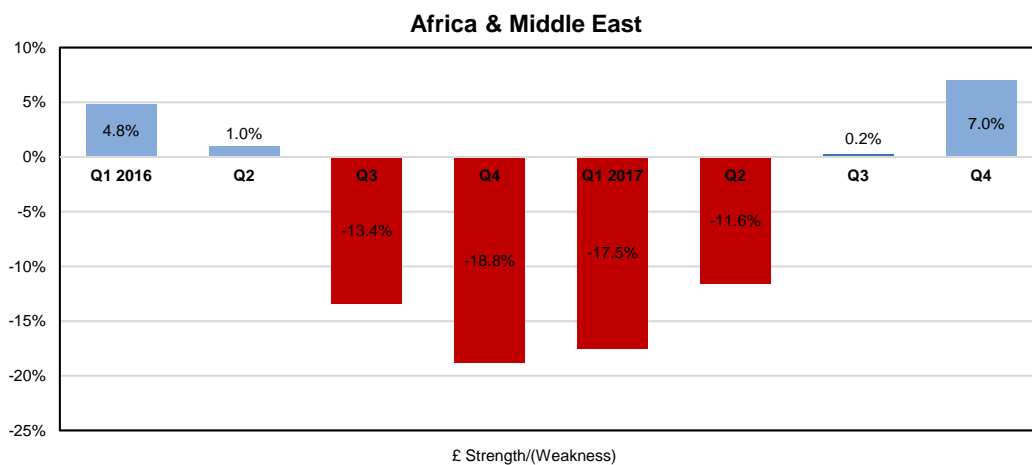
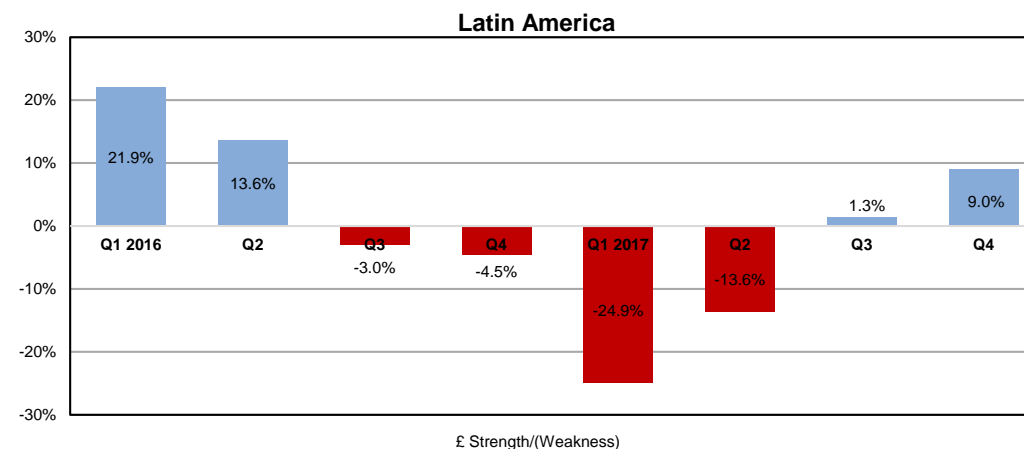
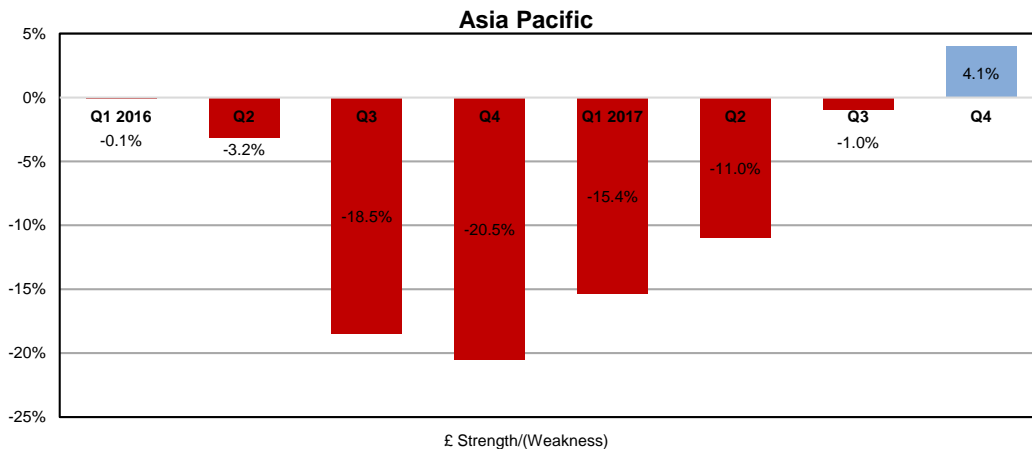


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2017 Monthly Average	1.16	1.17	1.16	1.18	1.17	1.14	1.13	1.10	1.12	1.12	1.13	1.13
% change vs PY	-12.4%	-8.9%	-9.8%	-6.5%	-9.0%	-9.8%	-5.1%	-6.2%	-4.6%	0.3%	-2.4%	-4.3%
Quarterly Average	Q1			Q2			Q3			Q4		
% change vs PY	-10.4%			-8.4%			-5.3%			-2.2%		

Jan 2016 to Jan 2018 are based on average monthly rates, Feb - Dec 2018 are based on latest estimate and set at €1.13 to £1

Results for 2017

Fast Growth Regions - Quarterly % Variance vs PY





7.3 Acquisitions *(Hard Copy only)*



Results for 2017

Using Free Cash Flow for Acquisitions

- Significant pipeline of reasonably priced small and medium-sized potential acquisitions.
- Continue to focus on new media, data investment management, including application of new technology, big data and content.
- Acceleration to reach 40-45% target for new markets with focus also outside BRICs and Next 11 to newer potential opportunities e.g. Cuba, Iran and North Africa.
- During 2017, 43 small and medium-sized acquisitions completed in executing this strategy.
- We continue to find opportunities at earnings enhancing multiples, with exception of digital assets in USA, where prices seem to have got ahead of themselves because of pressure on competitors to catch up.
- Acquisitions added 1.9% to revenue growth and 2.3% to revenue less P-T¹ costs growth in 2017.

¹ Revenue less pass-through costs, previously net sales

Results for 2017

Acquisitions and Investments

Fast Growth Markets

Bruketa&Žinić (Croatia)
Creo (Slovakia)¹
 Mediacom India¹
 Menacom (Middle East, North Africa)¹
 Shanghai Ogilvy & Mather¹
 WVI (Russia)¹

Quantitative & Digital

*88rising (USA)*²
 The Cocktail (Spain)
 Deeplocal (USA)
 DIS/PLAY (Denmark)
 Eightytwenty (Ireland)
Fatherly (USA)²
Fullscreen (USA)^{1,2}
*Game Pass (USA)*²
*Gimlet (USA)*²
IR Media (USA)²
*Keltra (USA)*²
 Loom (USA)
 Marketplace Ignition (USA)
MASH STRATEGY (UK)
MC2 (Italy)¹

*Mic (USA)*²
 Newsaccess (Ireland)
 Pierry (USA)
 Precise Media (UK)¹
ScrollMotion (USA)^{1,2}
 Sensio (France)
SubVRsive (USA)³
Syzygy (Germany)¹
*Within (USA)*²

ARBA (Hong Kong)
CBC (China)^{1,2}
CMC (China)^{1,2}
Enext (Brazil)
GLITCH (INDIA)
 hug digital (Middle East)
IDG (China)^{1,2}
 Pmweb (Brazil)¹
Raine (China)^{1,2}
 Squad (Kenya)¹

Advertising
BAR (PORTUGAL)
 Thjnk (Germany)
 Zubi (USA)

Branding & Identity
 Design Bridge (UK)
 Urban Vision (Italy)³

WPP Health & Wellness
The Mighty (USA)²

¹ Step-ups in investments, associates and subsidiaries' equity

² Investments

³ Associates

Underlined acquired during Q4, CAPITALS SINCE 1 JANUARY 2018

Results for 2017

Acquisitions Since 1 October

ARBA – Hong Kong (Ogilvy)

ARBA is a digital consultancy, and was founded in Hong Kong in 2012, ARBA offers bespoke digital design and software engineering services with a focus on sales acceleration and customer experience. It specializes in digital strategy and has strong expertise in the financial services industry. With a staff strength of more than 40, ARBA clients include FWD, Prudential, Hang Seng Bank and other financial and insurance providers. ARBA technical and production strengths include enterprise mobile apps, responsive web and intranet, as well as CRM and predictive analytics.



BAR¹ – Portugal (Ogilvy)

BAR is a leading independent creative agency in Portugal. BAR will merge operations with Ogilvy & Mather Portugal, with the combined business trading as BAR Ogilvy. It will be managed by the founders of BAR: Jose Bomtempo, Diogo Anahory and Miguel Ralha. Founded in Lisbon in 2009, BAR is an integrated agency with a strong creative reputation. Clients include Sagres, Millennium BCP, CUF, Nowo, TAP and Nespresso.



Enext – Brazil ((J. Walter Thompson Company)

Enext is a digital agency in Brazil that specialises in e-commerce and Icloud marketing solutions. Clients include Ambev SA, Arezzo, Mondelez International, Multiplus SA, Novartis AG, Restoque SA and Sephora. Enext employs 120 people and is based in São Paulo. It was founded in 2008. Enext is a leader in consulting, platform development and managing digital initiatives for clients in Brazil. It offers a unique portfolio of services through the development of digital journeys for consumers to the creation and activation of digital campaigns, the optimisation of transactions and the development and monitoring of client relationship models.



¹ Acquired since 1 January 2018

Results for 2017

Acquisitions Since 1 October

CANNES LIONS 2011-2017
HOLDING COMPANY OF THE YEAR

EFFIE AWARDS 2012-2017
MOST EFFECTIVE HOLDING COMPANY

Fatherly¹ – USA (WPP Ventures)

Fatherly is a digital media company producing content for millennial parents in the US. advertising and branded-content clients include Johnson & Johnson, Mattel, Inc. and the New York Life Insurance Company. Fatherly has worked with over 100 brands to date, developing and distributing native advertising, custom videos and custom branded content. It has created franchise series such as “940 Weekends,” which is a reference to the number of weekends parents have to spend with their children between birth and the age of 18, “My Father The...,” a series of interviews with the sons and daughters of famous men, and its upcoming “Father of the Year” awards.



The Glitch² – India (GroupM)

The Glitch is a digitally-led creative agency. The Glitch was founded in 2009 and employs around 200 people in Mumbai and Delhi. The Glitch’s full-service capabilities include digital, video and content strategy, interactive design technology, e-commerce, branding and media planning. Clients include Unilever, Netflix, OYO Rooms, Shutterstock, Tinder and others in the entertainment, beauty and FMCG sectors.



¹ Investment

² Acquired since 1 January 2018

Results for 2017

Acquisitions Since 1 October

Mash Strategy¹ – UK (Kantar Consulting)

Mash is a London-based brand strategy and growth consultancy. Mash provides integrated consulting services covering growth strategy, insight, innovation and brand transformation. Clients include Johnson & Johnson, Samsung, Unilever and PepsiCo. Mash was founded in 2010 and employs around 25 people in London and New York.



The Mighty² – USA (WPP Health & Wellness)

The Mighty is an online community platform for people facing health challenges and disabilities. The Mighty employs approximately 30 people and is based in Burbank, CA, with an office in New York. It was founded in 2014 and is demonstrating strong engagement statistics, with more than one million community members and 90 million engagements with personal health stories and videos per month. The Mighty is building a social network of support for all facets of living with chronic conditions through patient stories, treatment information, education resources, and connections among community members. Content is generated by community members, medical professionals, and an in-house editorial team. The Mighty was founded by Mike Porath, a former journalist at ABC News, NBC News, and *The New York Times*, who as the father of a child with a rare disease, saw the need for a health-specific community platform to connect people through shared experiences.



¹ Acquired since 1 January 2018

² Investment



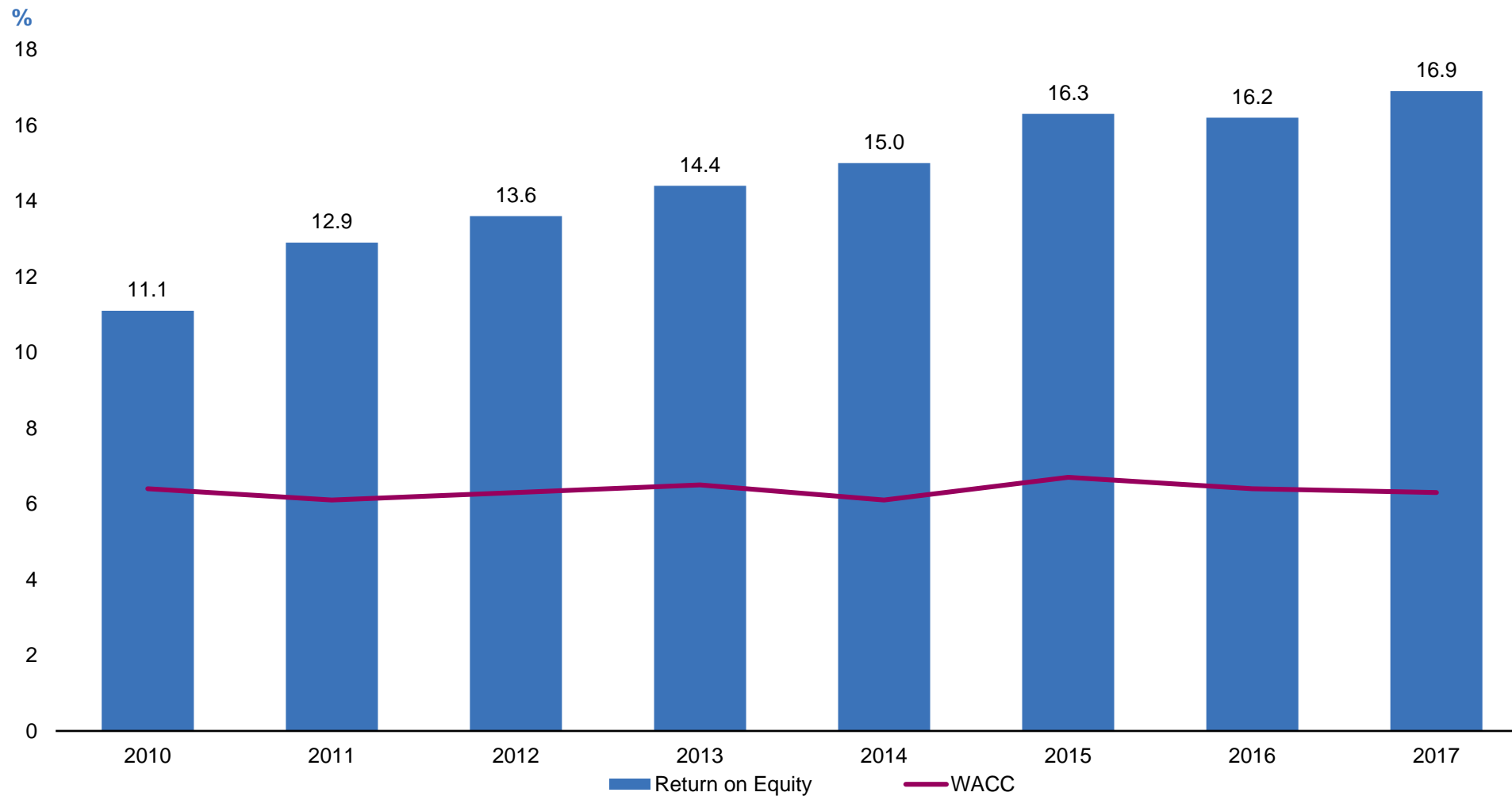
7.4 Share Owner Returns Information

(Hard Copy only)



Results for 2017

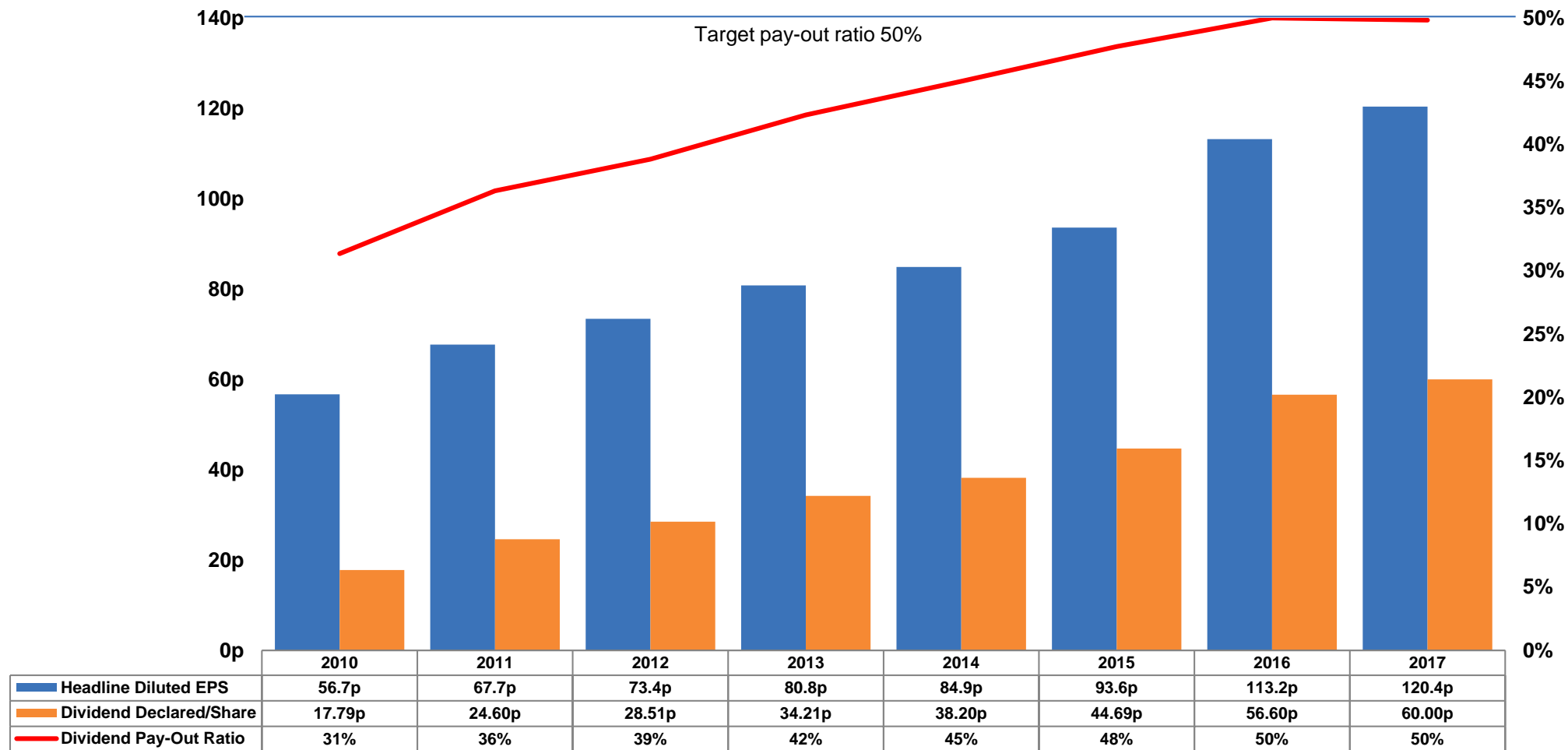
Return on Equity and WACC¹



¹ Return on equity is headline diluted EPS divided by equity shareowners funds per share; WACC is weighted average cost of capital

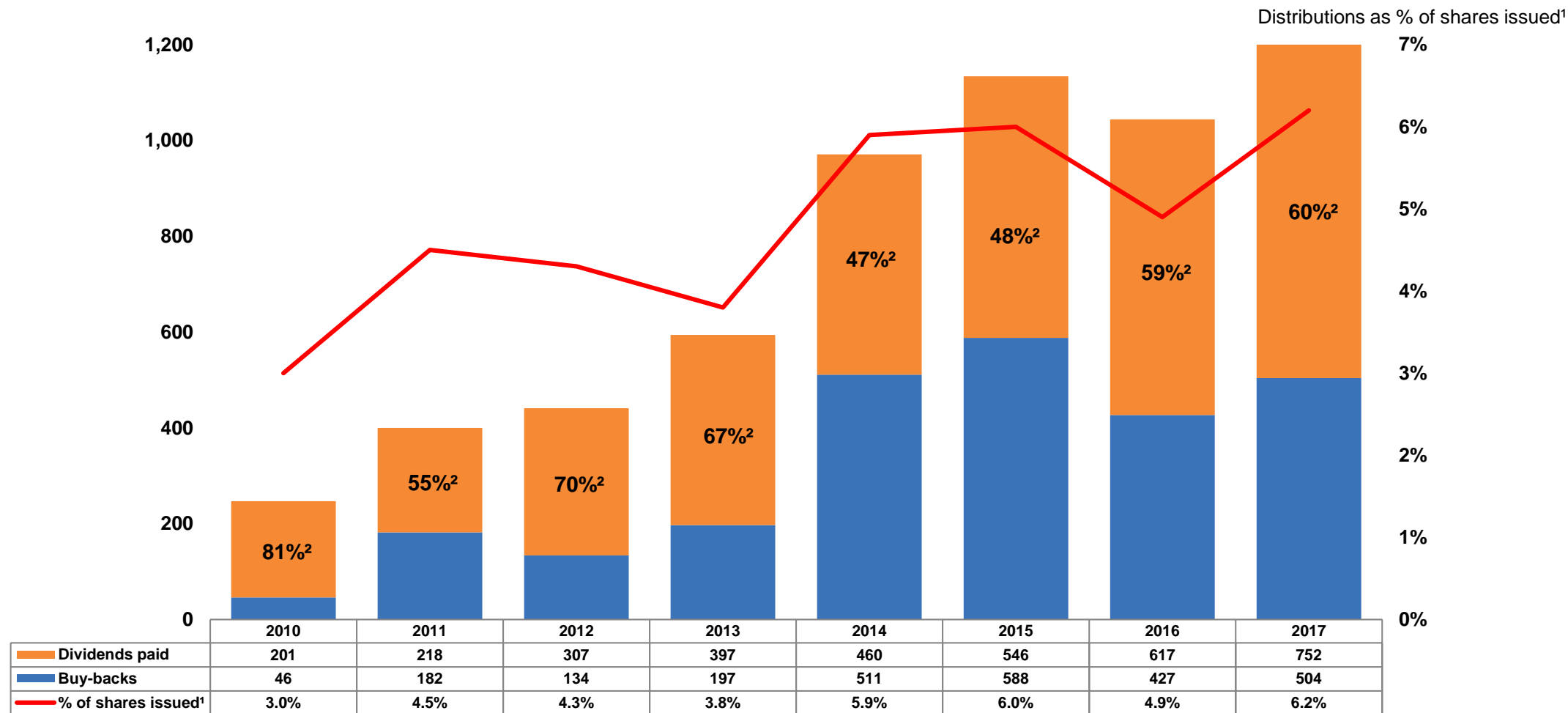
Results for 2017

Using Free Cash Flow to Enhance Dividend Pay-Out Ratio



Results for 2017

Using Free Cash Flow to Enhance Share Owner Value
£'m Distributions to Share Owners¹



¹ Sum of share buy-backs and dividends paid divided by average shares in issue for the relevant period, as a % of the average share price for the relevant period

² Dividends paid as a proportion of total distributions to share owners

Results for 2017

Using Free Cash Flow to Enhance Share Owner Value Dividends and Share Buy-Backs

- 2017 final dividend increased by 0.7% to 37.30p per share (2016 – 37.05p) to give full year dividend of 60.0p per share (2015 – 56.6p), up 6.0%.
- Distributions to share owners:

Share Buy-Backs

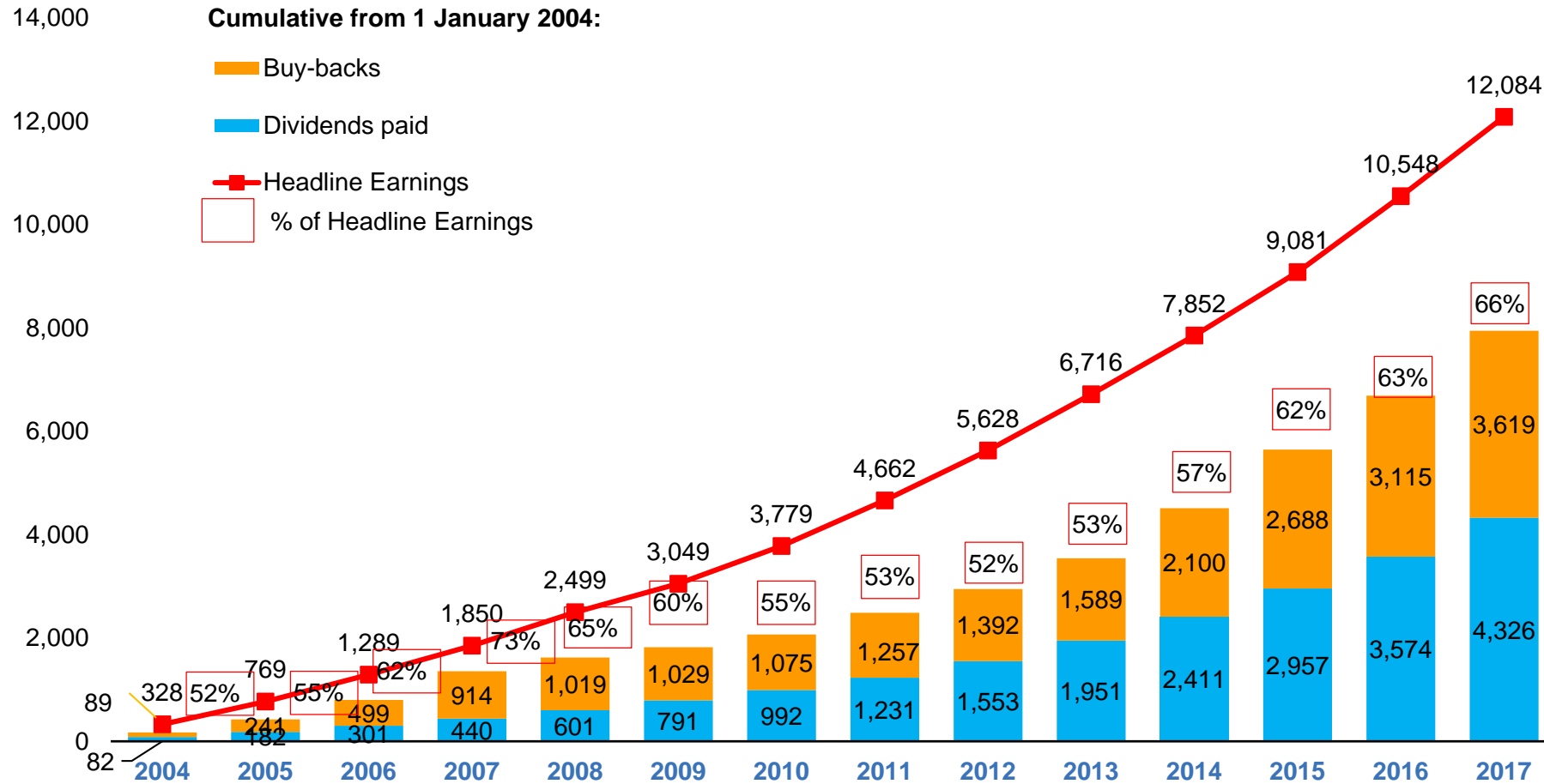
	Dividends Paid	Amount	% of Share Base
2008	£162m	£112m	1.6%
2009	£190m	£10m	0.2%
2010	£200m	£46m	0.5%
2011	£218m	£182m	2.1% ¹
2012	£307m	£135m	1.3% ²
2013	£397m	£197m	1.4%
2014	£460m	£511m	3.0%
2015	£546m	£588m	3.0%
2016	£617m	£427m	2.0%
2017	£752m	£504m	2.5%

¹ Of which 0.6% relates to share cancellations

² Of which 0.5% relates to share cancellations

Results for 2017

Using Free Cash Flow to Enhance Share Owner Value
£'m Distributions to Share Owners Since 2004



Over the last ten years we have returned **£6.6bn** to share owners



7.5 Competitor Information *(Hard Copy only)*



Results for 2017

Two Year Cumulative Like-for-Like Revenue Growth¹

%	WPP ²	OMC ³	PUB ⁴	DEN ⁵	IPG ⁶	HAV ⁷
Q1 2016	10.3	8.9	3.8	11.3	12.4	10.5
Q2 2016	8.0	8.7	4.1	16.0	10.4	8.2
Q3 2016	7.8	9.3	0.9	6.9	11.4	7.5
Q4 2016	7.2	8.4	0.3	14.5	10.5	7.3
Q1 2017	5.3	8.2	1.7	9.0	9.4	3.5
Q2 2017	2.7	6.9	3.5	4.7	4.1	1.8
Q3 2017	1.2	6.0	1.4	0.6	4.8	2.1
Q4 2017	1.7	5.2	-0.3	6.7	8.6	2.1

¹ Two year growth is total revenue (gross profit for DEN) growth for the named quarter and same quarter one year earlier

² WPP quarterly growth Q1/15 5.2%, Q2/15 4.5%, Q3/15 4.6% and Q4/15 6.7%, Q1/16 5.1%, Q2/16 3.5%, Q3/16 3.2%, Q4/16 0.5%, Q1/17 0.2%, Q2/17 -0.8%, Q3/17 -2.0%, Q4/17 +1.2%

³ OMC quarterly growth Q1/15 5.1%, Q2/15 5.3%, Q3/15 6.1% and Q4/15 4.8%, Q1/16 3.8%, Q2/16 3.4%, Q3/16 3.2%, Q4/16 3.6%, Q1/17 4.4%, Q2/17 3.5%, Q3/17 2.8%, Q4/17 1.6%

⁴ PUB quarterly growth Q1/15 0.9%, Q2/15 1.4%, Q3/15 0.7% and Q4/15 2.8%, Q1/16 2.9%, Q2/16 2.7%, Q3/16 0.2%, Q4/16 -2.5%, Q1/17 -1.2%, Q2/17 0.8%, Q3/17 1.2%, Q4/17 2.2%

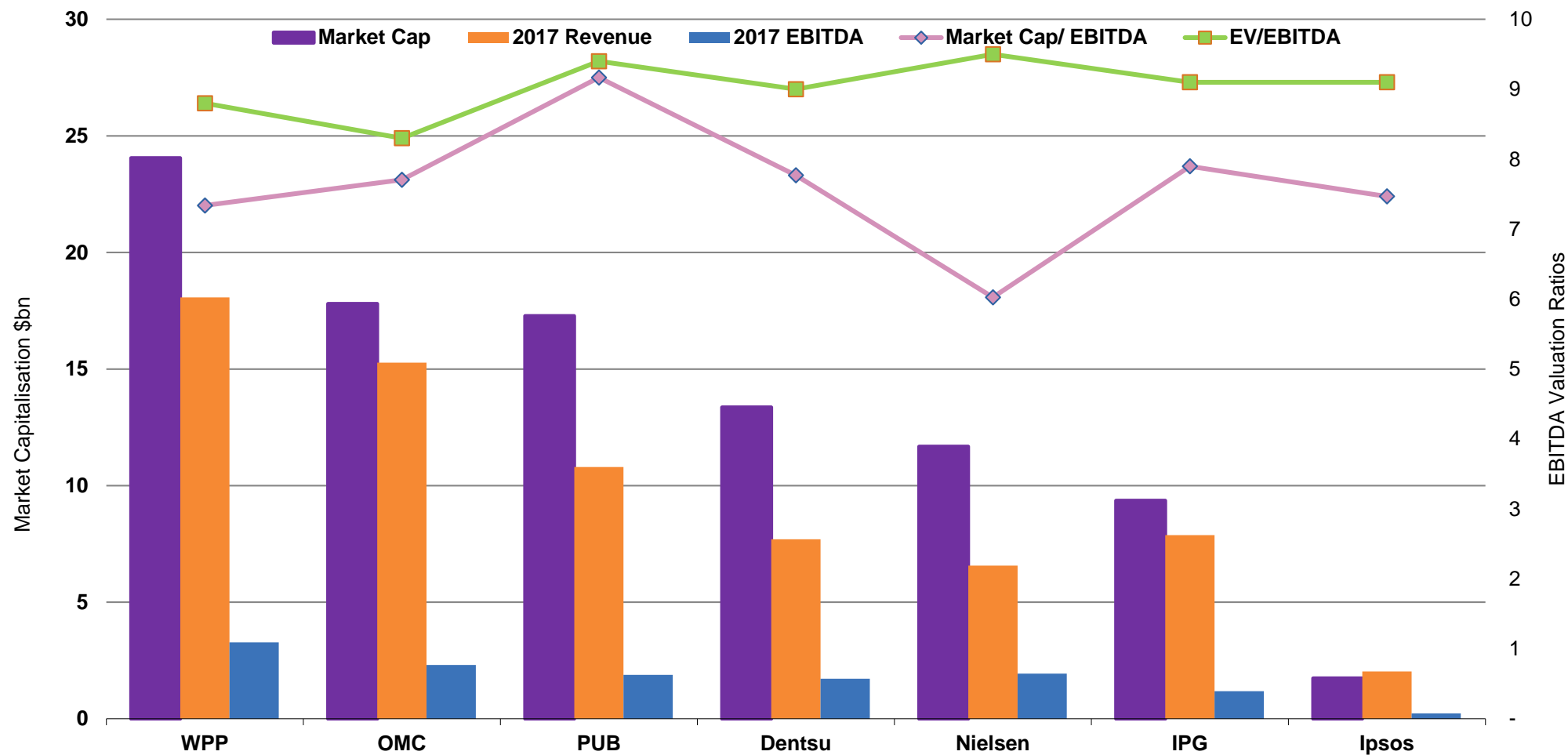
⁵ DEN gross profit growth (revenue growth not disclosed) for Q1/15 6.2%, Q2/15 6.5%, Q3/15 4.2%, Q4/15 10.6%, Q1/16 5.1%, Q2/16 9.5%, Q3/16 2.7%, Q4/16 3.9%, Q1/17 3.9%, Q2/17 -4.8%, Q3/17 -2.1%, Q4/17 2.8%

⁶ IPG quarterly growth Q1/15 5.7%, Q2/15 6.7%, Q3/15 7.1% and Q4/15 5.2%, Q1/16 6.7%, Q2/16 3.7%, Q3/16 4.3%, Q4/16 5.3%, Q1/17 2.7%, Q2/17 0.4%, Q3/17 0.5%, Q4/17 3.3%

⁷ HAV quarterly growth Q1/15 7.1%, Q2/15 5.5%, Q3/15 5.5% and Q4/15 3.1%, Q1/16 3.4%, Q2/16 2.7%, Q3/16 2.0%, Q4/16 4.2%, Q1/17 0.1%, Q2/17 -0.9%, Q3/17 0.1%, Q4/17 -2.1%

Results for 2017

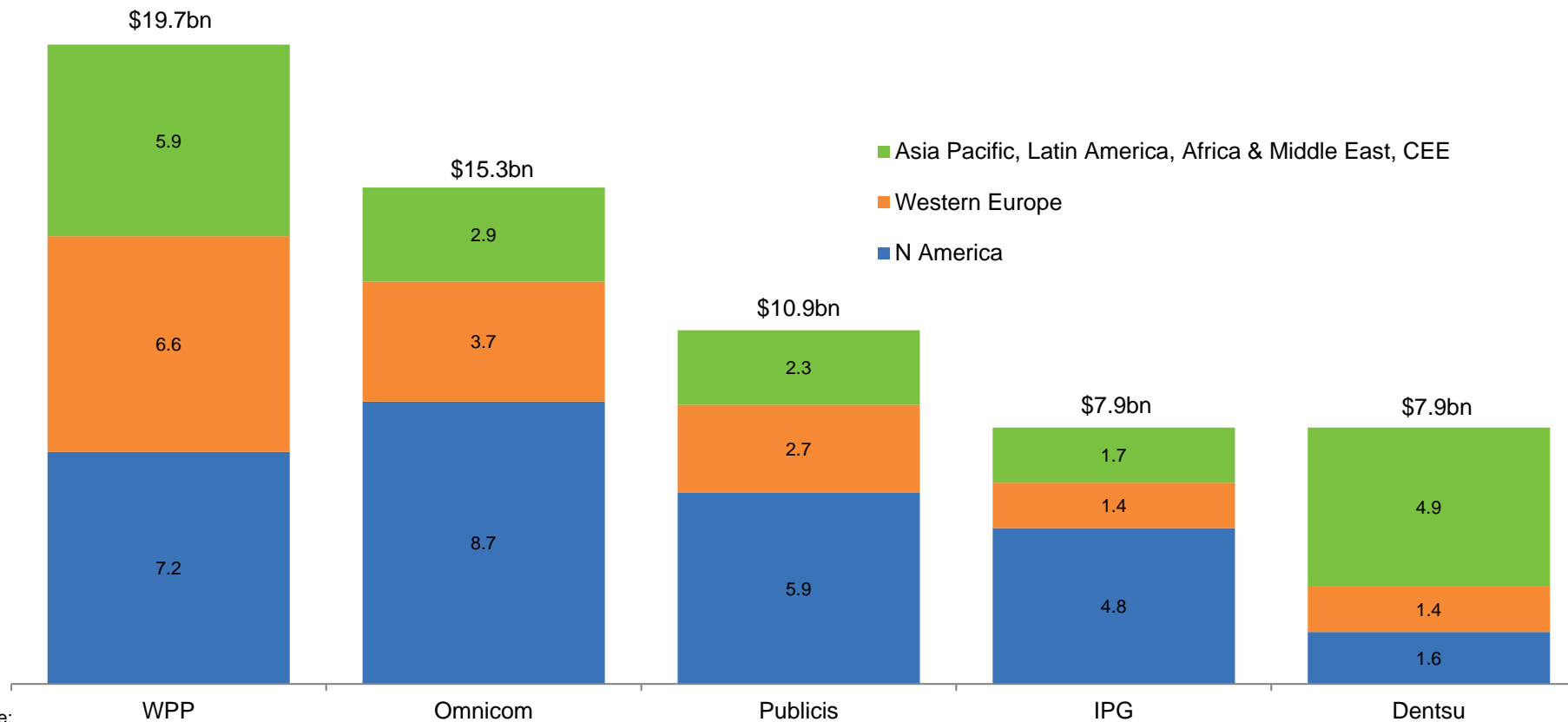
Competitor Review¹



¹ Market Capitalisation/Enterprise Value as of 23 February 2018

Results for 2017

2017 Revenue by Geography



Source:

¹ WPP – reportable US \$'s per WPP preliminary results. Omnicom, IPG, Publicis and Havas - company presentations for 2017 with CEE estimated at 3%.

² FX. Havas and Publicis assumes \$1=€0.9232 based on the average for 2017

³ OMC and PUB CEE based on analyst estimates

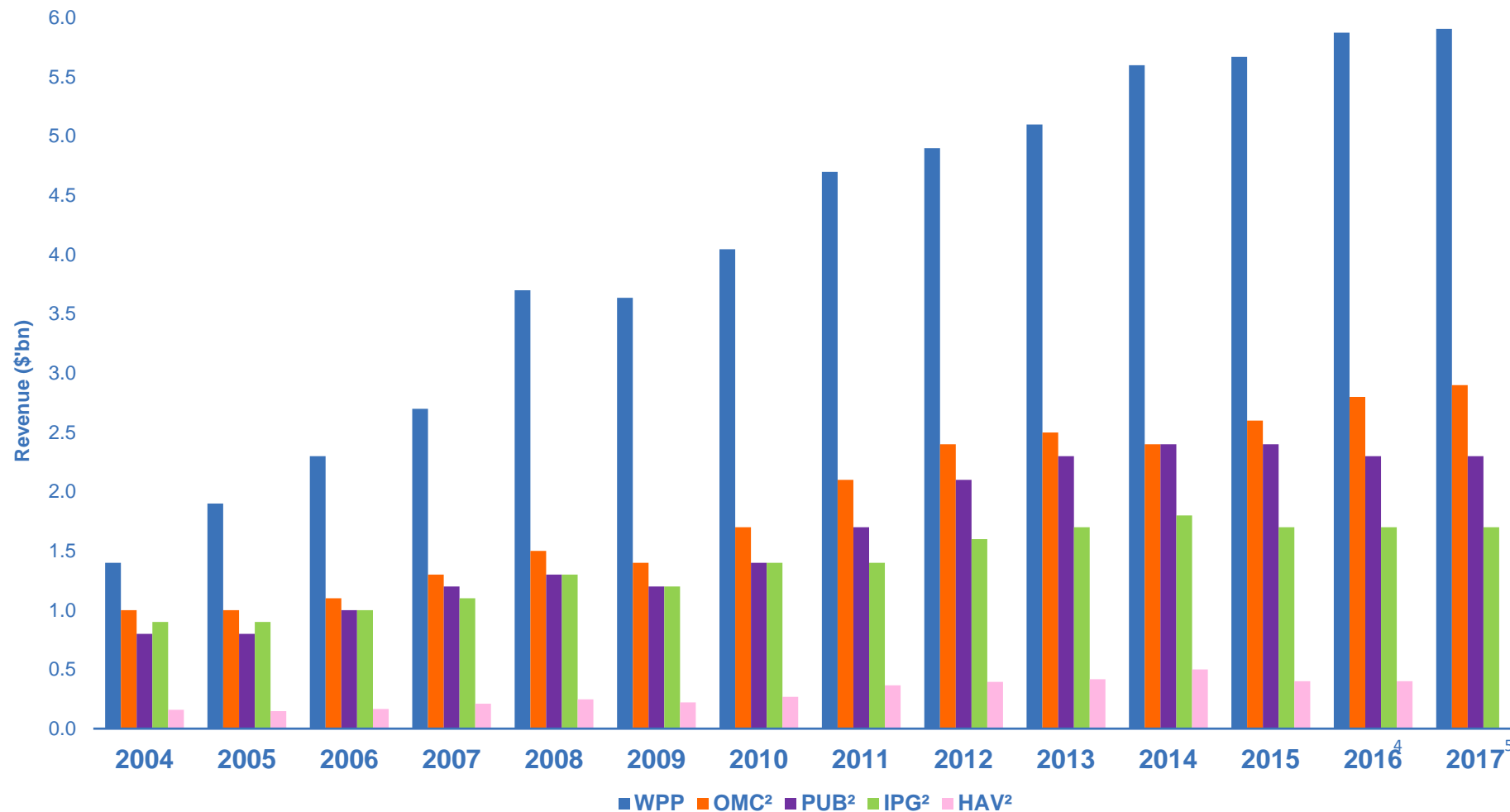
⁴ IPG assumes Canada is ca. 1.5% of revenue

⁵ Rest of World. Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe

⁶ Dentsu based on disclosed pro-forma group revenue splits against 2017 actual reported revenue

Results for 2017

Revenue¹ in Faster Growing³ Markets 2004-2017



¹ WPP reportable US\$ revenue per WPP results and peer \$ revenue as shown in annual results presentations

² Peer data sourced from annual results translated at average exchange rate for the year where applicable.

³ Faster growing markets include Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe (analyst estimates for OMC, PUB and IPG for C&EE)

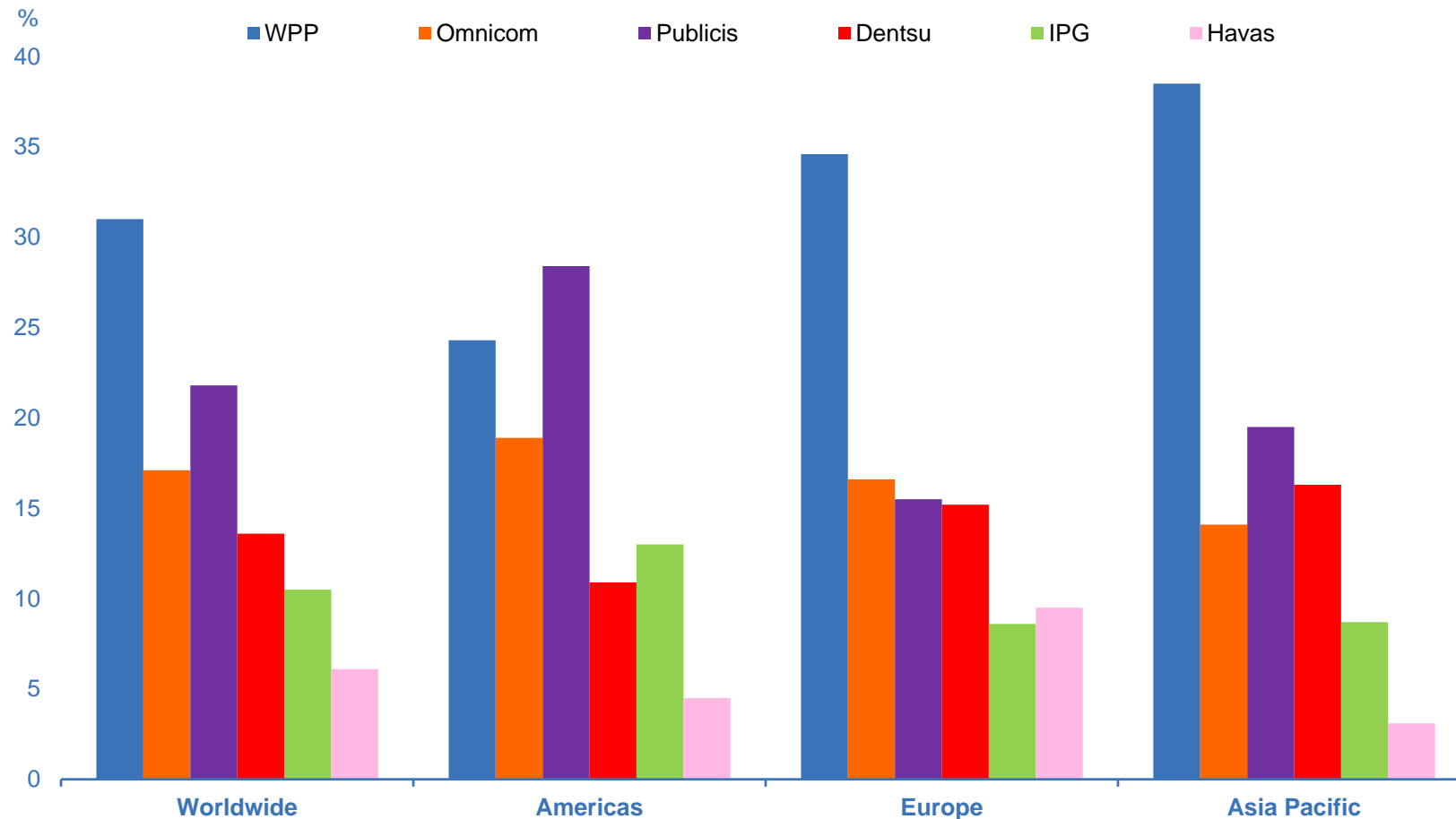
⁴ Including the businesses stepped up from STW on a proforma basis, 2015 adds \$270m to revenue, 2016 adds \$75m

⁵ Havas part of Vivendi in 2017

Results for 2017

Media Billings by Geography

Worldwide Ranking by Group as % of the Six Groups



Source: RECMA July 2017 billings report, based on 2016 data

Results for 2017

Media Rankings in Brazil¹

- RECMA does not cover Brazil, IBOPE measures media spend with “IBOPE Rate Card Monitor”.

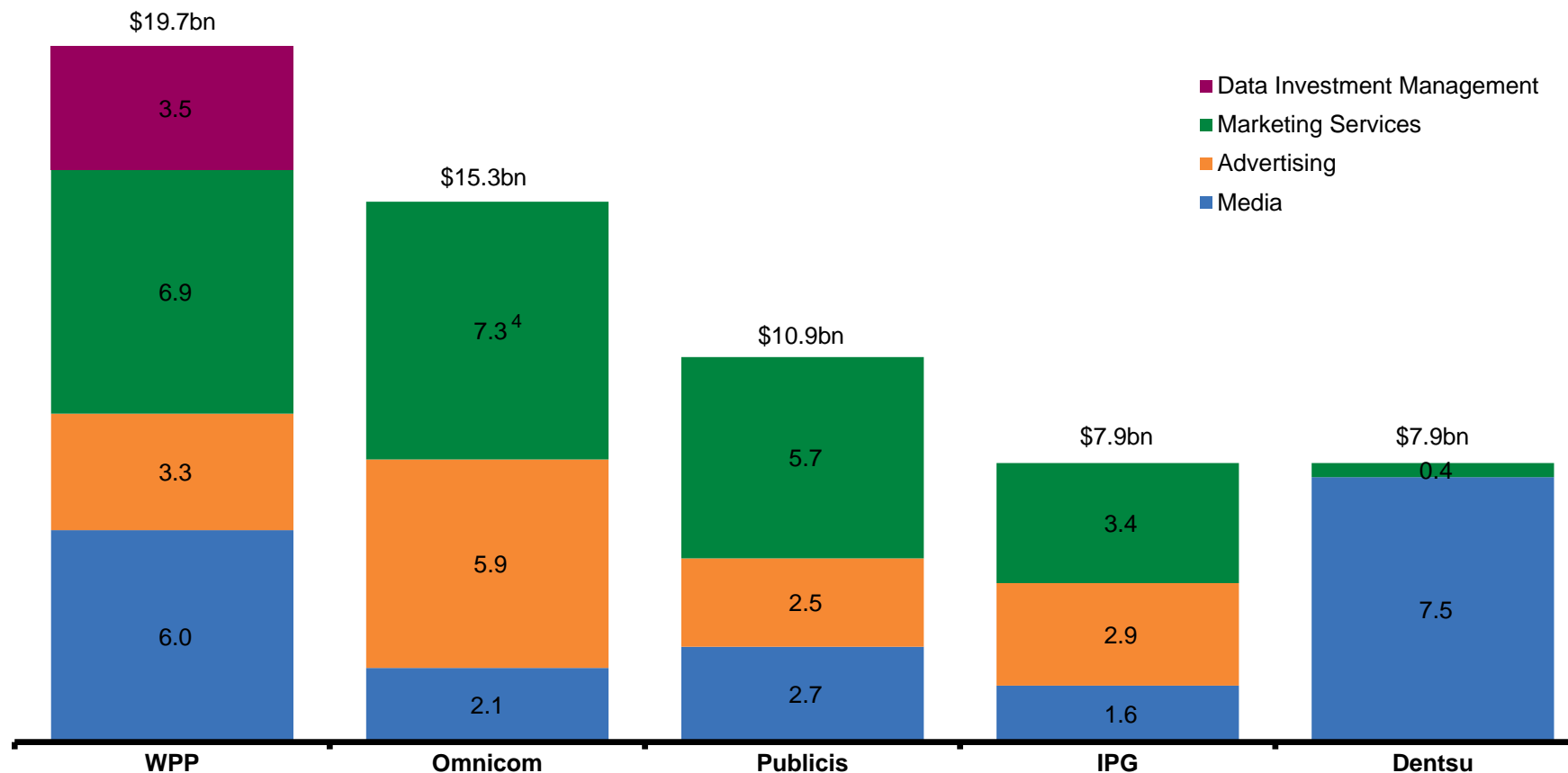
Agency	R\$'bn	Rank
Y&R	4.0	1
My Agencia	3.7	2
Ogilvy	3.7	3
Publicis	3.5	4
Africa	3.0	5
Talent	2.9	6
BBDO	2.6	7
Leo Burnett	2.4	8
Z Mais	2.3	9
W/McCann	2.2	10

Group	R\$'bn	Rank
PUB	13.4	1
WPP	11.3	2
OMC	9.7	3
IPG	5.4	4
HAV	4.2	5
DEN	1.5	6
Other	26.5	
Total Media Investment	72.0	

¹ Source of data “IBOPE Monitor” survey of 2017 media spend issued February 2018, excludes on-line

Results for 2017

2017 Revenue by Sector



Source:

¹ WPP reportable US \$'s per WPP preliminary results

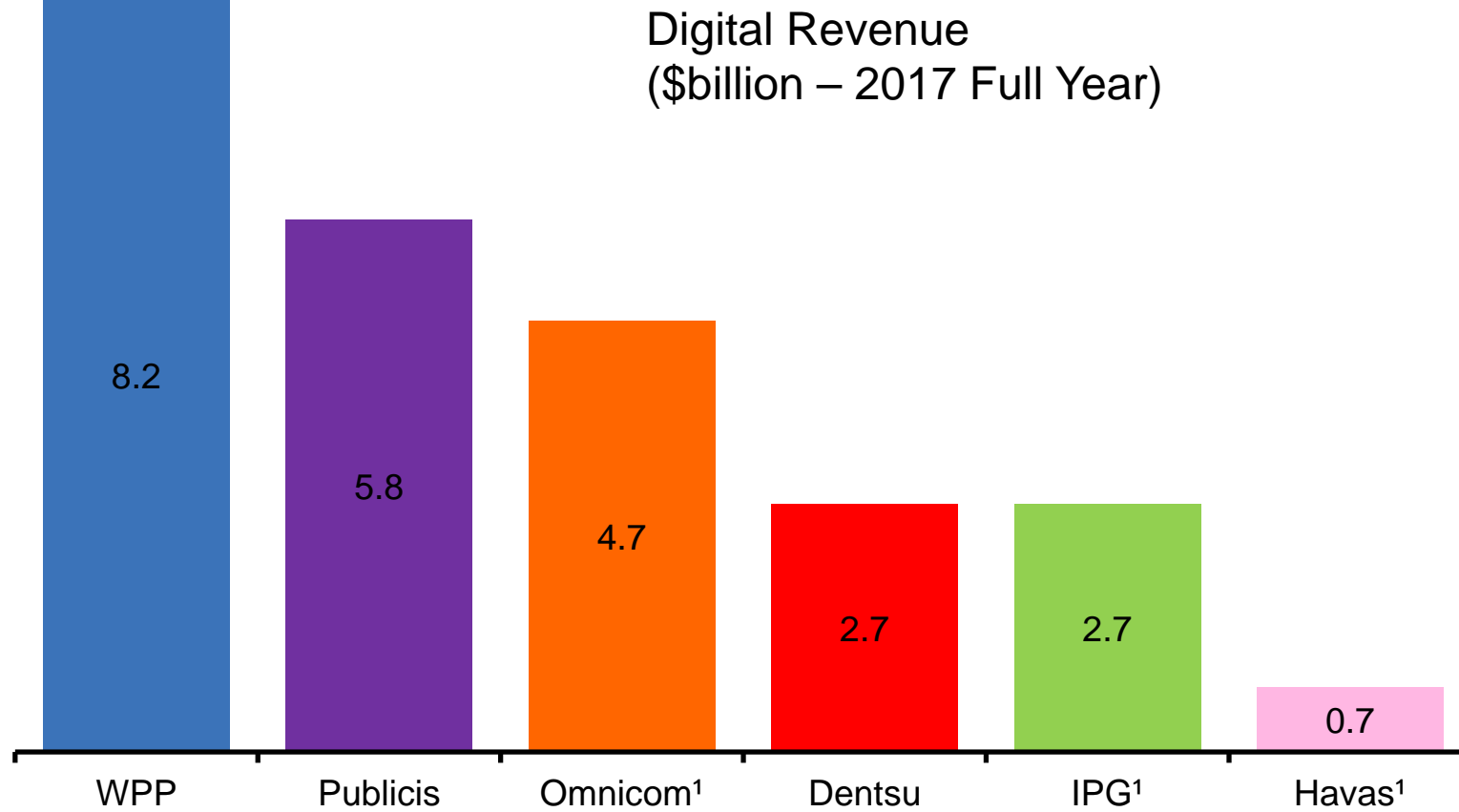
² 2017 company disclosures except: Havas, IPG and OMC media splits analyst estimates

³ FX. Havas and Publicis assumes \$1=€0.9232 based on the average for 2017

⁴ Omnicom's \$7.3bn of Marketing Services revenue includes food broking, barter, SELLBYTEL and consumer insight operations

Results for 2017

Digital in All Our Businesses



¹ Omnicom, IPG and Havas digital revenue based on Exane BNP Paribas estimates.

WPP

Results for 2017

London

