



WPP

Results for 2011

London





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1 Results for 2011





Results for 2011

- Billings up 4.9% to £44.8 billion.
- Reported revenue up 7.4%, constant currency revenue up 8.4%, like-for-like revenue up 5.3% and gross margin up 5.9%.
- Headline operating margin up 1.1 margin points to 14.3% equal to historic proforma high.
- On gross margin (revenue less direct costs), headline operating margin up 1.1 margin points to 15.5%, closer to industry highs.
- Headline diluted EPS up 19.4% to 67.7p, and including exceptional tax credit up 33.3% to 75.6p. Reported diluted EPS up 40.5% to 64.5p.
- 2nd Interim dividend up 45.0% and full year dividend up 38.3% at 24.6p.
- Net new billings of £3.255bn (\$5.2bn) and first or second position in all leading net new business tables.





Results for 2011

Summary Headline¹ Results at a Glance (1)

Year to 31 December	2011 £m	2010 £m	Change %
Revenue	10,021.8	9,331.0	7.4
Gross Margin	9,238.5	8,560.5	7.9
Staff Costs pre Severance and Bonus	5,480.4	5,022.1	-9.1
Staff Costs	5,872.5	5,438.7	-8.0
Other Expenses	1,937.0	1,893.1	-2.3
Operating Profit pre Severance and Bonus	1,821.1	1,645.3	10.7
Operating Profit pre Bonus	1,767.2	1,571.0	12.5
Operating Profit	1,429.0	1,228.7	16.3
PBT	1,229.1	1,033.6	18.9
EBITDA	1,640.5	1,439.0	14.0

¹ Figures before goodwill and intangibles charges, investment gains/losses, share of exceptional gains/losses of associates and revaluation of financial instruments





Results for 2011

Summary Headline¹ Results at a Glance (2)

Year to 31 December	2011	2010	Change %
Operating Profit Margin:			
% of Revenue	14.3%	13.2%	+1.1 ²
% of Gross Margin	15.5%	14.4%	+1.1 ²
Diluted EPS	67.7p	56.7p	19.4
Dividend per share	24.6p	17.79p	38.3
Average Net Debt £m	(2,811)	(3,056)	+8.0
Average Net Debt / EBITDA	1.7x	2.1x	
Interest cover	7.1x	6.3x	
Number of people ³ :			
Average	109,971	101,387	-8.5
Closing	113,615	104,052	-9.2
Enterprise Value/ EBITDA	7.7x	8.2x	

¹ Figures before goodwill and intangibles charges, investment gains/losses, share of exceptional gains/losses of associates and revaluation of financial instruments

² Margin points

³ 2010 and 2011 actual number of people



Results for 2011

Unaudited IFRS Income Statement

Year to 31 December	2011 £m	2010 £m	Change %	Constant Currency %
Revenue	10,021.8	9,331.0	7.4	8.4
Operating Profit pre-goodwill / intangibles	1,365.0	1,173.2	16.3	17.4
Goodwill / intangibles charges, FA gains / losses	(172.8)	(200.2)	13.7	13.3
Operating Profit	1,192.2	973.0	22.5	23.9
Income from associates	66.1	55.2	19.7	17.9
PBIT	1,258.3	1,028.2	22.4	23.5
Net finance costs	(249.9)	(176.9)	-41.3	-42.2
Profit before tax	1,008.4	851.3	18.5	19.6
Tax	(91.9)	(190.3)	51.7	51.5
Profit after tax	916.5	661.0	38.7	40.2
Reported diluted EPS	64.5p	45.9p	40.5	42.1



Results for 2011

% Growth vs Prior Year

	Revenue	Headline ³ PBIT	Headline ³ EPS
Like-for-like	5.3	n/a	n/a
Acquisitions ⁴	3.1	n/a	n/a
Constant currency	8.4	17.3	20.3
Foreign exchange	-1.0	-1.0	-0.9
Reportable sterling	7.4	16.3	19.4
Reportable US dollars¹	11.4	20.5	23.4
Reportable euros²	6.1	14.6	18.1

¹ Translated into US\$, using among other currencies, average exchange rates of US\$/£ for FY 2011 of \$1.603, compared to \$1.546 for FY 2010

² Translated into Euros, using among other currencies, average exchange rates of €/£ for FY 2011 of €1.153, compared to €1.166 for FY 2010

³ Figures before goodwill and intangibles charges, investment gains/losses, share of exceptional gains/losses of associates and revaluation of financial instruments

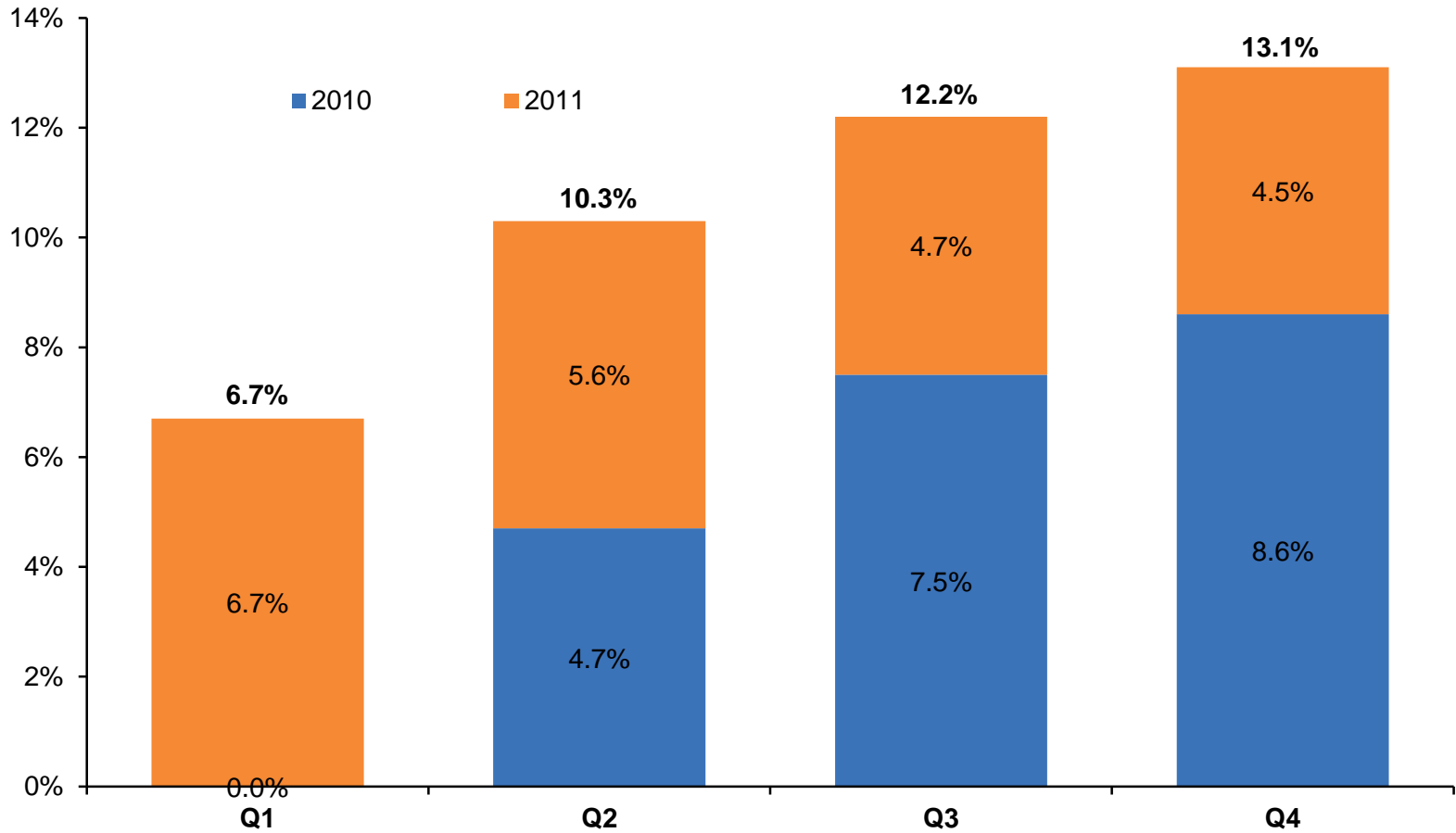
⁴ Acquisitions net of disposals





Results for 2011

2010/2011 Cumulative Organic Revenue Growth by Quarter





Results for 2011

Headline¹ Performance Versus Consensus

£ million	Actual Results	Consensus Median	+ / (-)	
Revenue	10,022	10,002	20	✓
PBIT	1,429	1,400	29	✓
Net finance costs	(200)	(205)	5	✓
PBT	1,229	1,195	34	✓
Diluted EPS	67.7p	65.6p	2.1p	✓
PBIT Margin	14.3%	14.0%	+0.3 ²	✓
Dividends per share increase	38%	15%	23%	✓
Diluted Shares	1,342m	1,341m	1m	✗

¹ Figures before goodwill and intangibles charges, investment gains/losses, share of exceptional gains/losses of associates and revaluation of financial instruments

² Margin points





Results for 2011

Unaudited Headline¹ IFRS Income Statement

Year to 31 December	2011 £m	2010 £m	Change %	Constant Currency %
Revenue	10,021.8	9,331.0	7.4	8.4
Operating profit	1,365.0	1,173.2	16.3	17.4
Income from associates	64.0	55.5	15.3	13.8
PBIT	1,429.0	1,228.7	16.3	17.3
Net finance costs	(199.9)	(195.1)	-2.5	-3.2
Profit before tax	1,229.1	1,033.6	18.9	20.0
Tax at 22.0% (2010 22.0%)	(270.4)	(227.8)	-18.7	-20.0
Profit after tax	958.7	805.8	19.0	20.0
Diluted EPS	67.7p	56.7p	19.4	20.3
Operating margin	14.3%	13.2%	+1.1²	
EBITDA	1,640.5	1,439.0	14.0	15.0

¹ Figures before goodwill and intangibles charges, investment gains/losses, share of exceptional gains/losses of associates and revaluation of financial instruments

² Margin points





Results for 2011

Operating Costs¹ Well Controlled

(like-for-like Sterling ² £m)	2011	2010	Change %
Revenue	10,022	9,518	5.3
Gross Margin	9,239	8,724	5.9
Staff Cost	5,873	5,541	-6.0
<i>Staff Cost/ Revenue %</i>	<i>58.6%</i>	<i>58.2%</i>	
<i>Staff Cost/ Gross Margin %</i>	<i>63.6%</i>	<i>63.6%</i>	
Establishment	674	665	-1.3
<i>Establishment/ Revenue %</i>	<i>6.7%</i>	<i>7.0%</i>	
Other G&A	1,327	1,315	-0.9
<i>Other G&A/ Revenue %</i>	<i>13.2%</i>	<i>13.8%</i>	
Total Operating Costs ¹	7,874	7,521	-4.7

- Incentive payments of £338.2m (2010 - £342.3m) for the year or 3.4% of revenue, 0.3 margin points lower than in 2010.
- Severance cost of £53.9m (2010 - £74.3m) for the year.
- Pre-incentive margin up 0.8 margin points at 17.6%.

¹ Headline operating costs excluding income from associates. Figures before goodwill and intangibles charges and investment gains/losses

² Based on WPP proforma reporting – 2010 adjusted for acquisitions and FX



Results for 2011

Revenue by Discipline

	2011 £m	2010 £m	Reported	% Change	
				Constant Currency	Like-for- like
Advertising, Media Investment Management	4,157.2	3,733.3	11.4	12.2	7.4
Consumer Insight	2,458.0	2,430.2	1.1	1.7	0.8
Public Relations & Public Affairs	885.4	844.5	4.8	6.2	4.6
Branding & Identity, Healthcare and Specialist Communications	2,521.2	2,323.0	8.5	10.1	6.9 ²
Total	10,021.8	9,331.0	7.4	8.4	5.3

¹ Gross margin like-for-like growth

² Direct, digital & interactive growth of 8.9%



Results for 2011

Revenue by Region

	2011 £m	2010 £m	% Change			
			Reported	Constant Currency	Like-for- like	
North America	3,388.2	3,299.8	2.7	6.3	2.9	4.0 ¹
UK	1,183.5	1,087.6	8.8	8.8	6.7	8.6 ¹
Western Continental Europe	2,505.1	2,325.3	7.7	6.3	2.2	
Asia Pacific, Latin America, Africa & Middle East, Central & Eastern Europe	2,945.0	2,618.3	12.5	12.6	10.5	
Total	10,021.8	9,331.0	7.4	8.4	5.3	5.9¹

¹ Gross margin like-for-like growth





Results for 2011

Headline¹ PBIT and Margin by Discipline

	Headline PBIT		Headline Margin	
	2011 £m	2010 £m	2011 %	2010 %
Advertising, Media Investment Management	667.9	573.0	16.1	15.3
Consumer Insight	258.7	234.8	10.5 14.3 ²	9.7 13.2 ²
Public Relations & Public Affairs	142.9	133.1	16.1	15.8
Branding & Identity, Healthcare and Specialist Communications	359.5	287.8	14.3	12.4
Total	1,429.0	1,228.7	14.3 15.5²	13.2 14.4²

¹ Figures before goodwill and intangibles charges, investment gains/losses, share of exceptional gains/losses of associates and revaluation of financial instruments

² Gross margin margins





Results for 2011

Headline¹ PBIT and Margin by Region

	Headline PBIT		Headline Margin	
	2011 £m	2010 £m	2011 %	2010 %
North America	525.6	484.6	15.5	14.7
UK	165.3	147.9	14.0	13.6
Western Continental Europe	284.0	221.6	11.3	9.5
Asia Pacific, Latin America, Africa & Middle East, Central & Eastern Europe	454.1	374.6	15.4	14.3
Total	1,429.0	1,228.7	14.3 15.5²	13.2 14.4²

¹ Figures before goodwill and intangibles charges, investment gains/losses, share of exceptional gains/losses of associates and revaluation of financial instruments

² Gross margin margins





Results for 2011

Revenue Growth by Country

Revenue Growth ¹	Countries
>20%	Argentina, Brazil
15% to 20%	Greater China ² , Mainland China ³
10% to 15%	India, South Korea, Mexico, Russia
5% to 10%	Australia, Netherlands, Poland, Singapore, UK
<5%	Belgium, Canada, Denmark, France, Germany, Italy, Japan, Norway, Spain, Sweden, South Africa, USA

¹ Like-for-like growth

² Includes Hong Kong and Taiwan

³ Includes Hong Kong





Results for 2011

Revenue Growth by Category

Revenue Growth ¹	Categories
>15%	Automotive, Travel & Airline
10% to 15%	Oil
5% to 10%	Drinks, Entertainment, Financial Services, Personal Care & Drugs, Retail, Telecommunications
<5%	Computers, Electronics, Food, Government

¹ Like-for-like growth





Results for 2011

Effects of Sterling Strength

- Currency movements accounted for a 1.0% decrease in revenue, largely reflecting the strength of the £ sterling against the US\$, partly offset by weakness against most other currencies.
- Sterling stronger on average as follows:

	2011	2010	Sterling stronger/ (weaker)
US\$	1.603	1.546	4%
€	1.153	1.166	(1%)
¥	127.8	135.4	(6%)

- Headline PBT¹ of £1,229m would have been £1,239m had sterling remained at the same levels as 2010.

¹ PBT before goodwill and intangibles charges, investment gains/losses, share of exceptional gains/losses of associates and revaluation of financial instruments



Results for 2011

Trade Estimates of Major New Business Wins

WPP Agency	Incumbent	Account	Office	Billings (\$m)
Maxus	IPG	SC Johnson	Global	1,000
Maxus/MediaCom	OMC/Ind	Comcast NBCU	Global	865
Ogilvy	OMC	Philips	Global	500
Ogilvy	IPG	SC Johnson	Global	500
MediaCom	PUB	Procter & Gamble	Japan	500
Ogilvy	OMC	Claro	Brazil	500
MediaCom	PUB	Procter & Gamble	SE Asia	450
MediaCom	IPG	Bayer	USA	400
Y&R/Taxi	Ind	Revlon	Global	265
JWT/MediaCom	n/a	US Corp. for Travel Promotion	Global	200
Grey/G2	PUB	Ally Financial	USA	200
JWT	PUB	Indesit	Global	156
Wunderman/CHI	PUB/Others	Best Buy	USA	150
Maxus	Ind	Barclays	Global	150
MediaCom	Ind	DFS	UK	150
MEC	n/a	Netflix	Latin America	100
JWT	n/a	Johnson & Johnson	Global	100



WPP

Shaded figures are Q4 wins



Results for 2011

Trade Estimates of Major New Business Wins

WPP Agency	Incumbent	Account	Office	Billings (\$m)
MEC	AGS/PUB	Marriott	Global	86
MediaCom	PUB/Others	Revlon	Global	85
Mindshare	IPG	Unilever	Australia	80
RKCR/Y&R	PUB	Vodafone	UK	73
MediaCom	OMC	Westpac	Australia	70
Y&R	Ind/IPG	Beeline	Russia	70
MEC	MediaCom	T-Mobile	UK	61
RKCR/Y&R	Ind	Dreams	UK	55
VML	PUB	Kellogg's	USA	51
JWT	HAV	Nestlé (Lean Cuisine)	Global	50



Shaded figures are Q4 wins

WPP



Results for 2011

Trade Estimates of Major New Business Losses

WPP Agency	Winning Agency	Account	Office	Billings (\$m)
MediaCom	OMC	Warner Bros	USA	800
MEC	PUB	Novartis	Global	600
Mindshare	PUB	Burger King (resigned)	USA	300
MEC	PUB	Pizza Hut	USA	217
MEC	OMC	Sony Ericsson	Global	200
Ogilvy	OMC	TD Ameritrade	USA	165
Mindshare/JWT	PUB	Tourism Ireland	Global	156
MediaCom	IPG	Hasbro	USA	150
MEC	OMC	Activision Blizzard	North America	150
MEC	OMC	Sony	Asia Pacific	125
MediaCom	Ind	Scottish Government	UK	120
JWT	Ind	Rimmel	Global	109
MEC	OMD	Toys R Us	USA	100
MediaCom	PUB	Dairy Queen	USA	100



Shaded figures are Q4 losses

WPP



Results for 2011

Trade Estimates of Major New Business Losses

WPP Agency	Winning Agency	Account	Office	Billings (\$m)
MediaCom	PUB	RBS	UK	78
MEC	OMC	Sara Lee	Asia Pacific	75
MediaCom	MEC	T-Mobile	UK	61
JWT	PUB	Kraft	Global	60
Y&R	IPG	Sears	USA	60
Y&R	OMC	Office Depot	USA	60
Y&R	OMC	Accenture	Global	50
MEC	Ind	Toshiba	USA	50
Y&R	Ind	Hilton Hotels	USA	50



Shaded figures are Q4 losses



Results for 2011

Internal Estimates of Net New Business Wins in 2011

(\$m)	Creative	Media	Total
Advertising	1,455	2,539	3,994
Other Businesses	1,166	-	1,166
Total	2,621	2,539	5,160





Results for 2011

Trade Estimates of Major New Business Wins/ Losses Since 1 January 2012

	WPP Agency	Incumbent	Account	Office	Billings(\$m)
WINS	MediaCom	OMC	Etihad	Global	160
	Wunderman	Various	Levis	Global	100
	MEC	OMC/Others	UK Government	UK	100
	MEC	Various	Lavazza	Europe	66
	Maxus	Ind	GSK	Australasia	30
	MediaCom	PUB	Subway	USA	30

	WPP Agency	Winning Agency	Account	Office	Billings(\$m)
LOSSES	Ogilvy	PUB	Kraft	USA	60
	MediaCom	PUB	Tanduay	Philippines	33





Results for 2011

Cash Flow

£m	2011	2010
Headline operating profit	1,365	1,173
Non-cash compensation	79	71
Depreciation & amortisation charges	211	210
Net interest paid & similar charges	(178)	(165)
Tax paid	(248)	(207)
Net cash generation	1,229	1,082





Results for 2011

Uses of Cash Flow

£m	2011	2010
Net cash generation	1,229	1,082
Capital expenditure	(253)	(217)
Acquisition payments	(532)	(215)
- Net initial payments ¹	(381)	(97)
- Earnout payments/ loan note redemptions	(151)	(118)
Share repurchases	(182)	(46)
Other	37	37
Net cash inflow before dividend	299	641
Dividend	(218)	(201)
Net cash inflow before NWC changes	81	440

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



Results for 2011

Net Finance Costs/ (Income)

£m	2011	2010	B/(W)
Interest on net debt	178.6	178.3	(0.3)
Investment income	(0.6)	(9.3)	(8.7)
IAS 19 (Pensions)	13.0	17.2	4.2
IAS 32 (Convertibles)	8.9	8.9	-
Sub-total	21.3	16.8	(4.5)
Headline finance costs	199.9	195.1	(4.8)
IAS 39 (Financial Instruments)	50.0	(18.2)	(68.2)
Net finance costs	249.9	176.9	(73.0)





Results for 2011

Net Debt – 31 December 2011

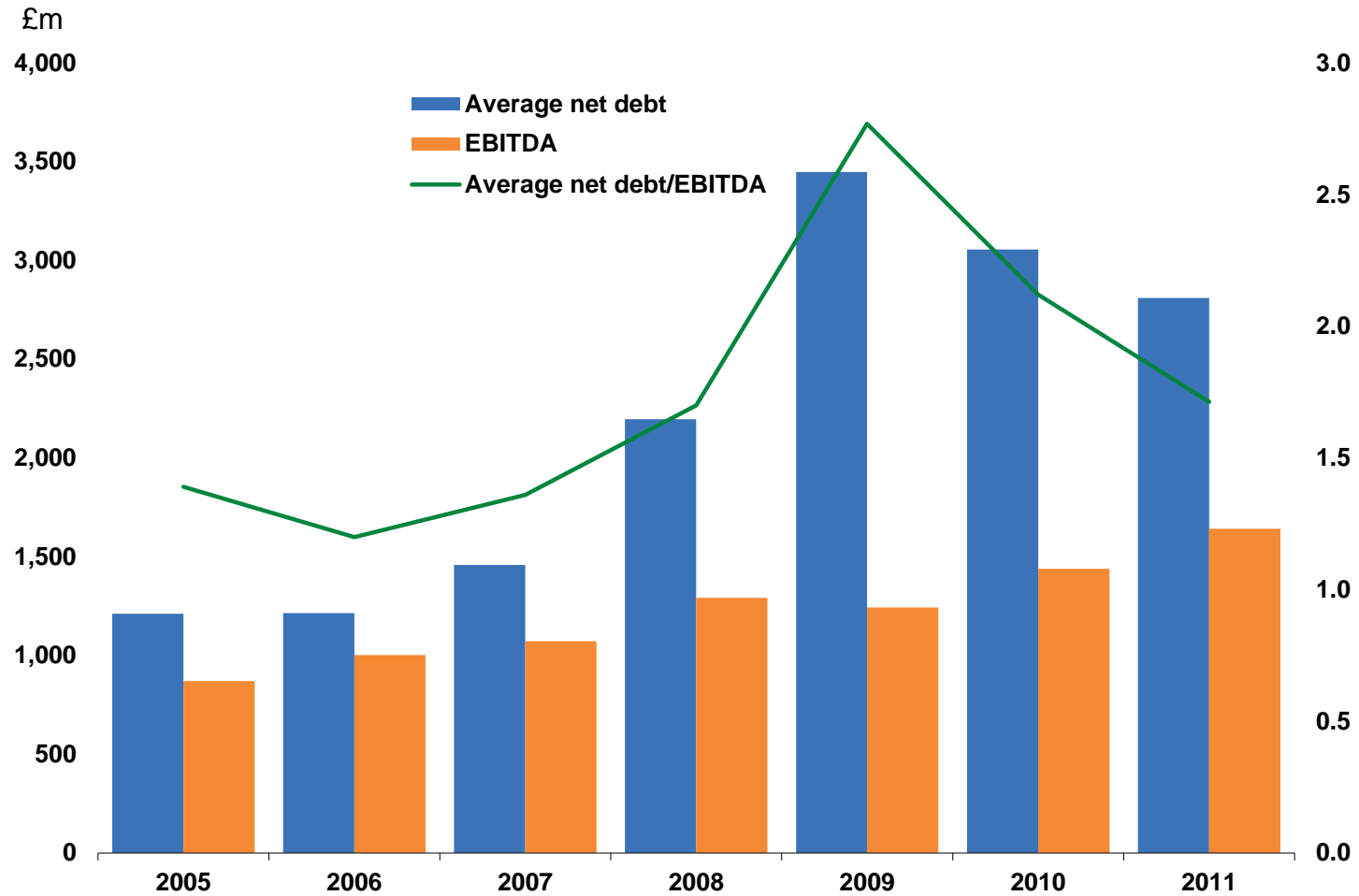
£m	2011	2010	% Variance
YTD average net debt on constant currency basis	(2,811)	(3,004)	+6%
YTD average net debt on reportable basis	(2,811)	(3,056)	+8%
Net debt at 31 December	(2,465)	(1,888)	-31%
Headline finance costs	(200)	(195)	-3%
Interest cover on headline PBIT	7.1x	6.3x	
Headline EBITDA	1,641	1,439	+14%
Average net debt / headline EBITDA	1.7x	2.1x	





Results for 2011

Historic Average Net Debt/Headline EBITDA





Results for 2011

Uses of Free Cash Flow

Category	Target	FY 2011	FY 2010
New acquisitions ¹	£300m to £400m	£381m ²	£97m ²
Share purchases	Minimum 1%	2.1%	0.5%
Dividends	Target dividend pay-out ratio towards 40%	33% to 36%	31%
Headroom: Undrawn facilities & surplus cash		£2.4bn	£2.8bn

¹ Includes investments and step-ups in subsidiaries equity

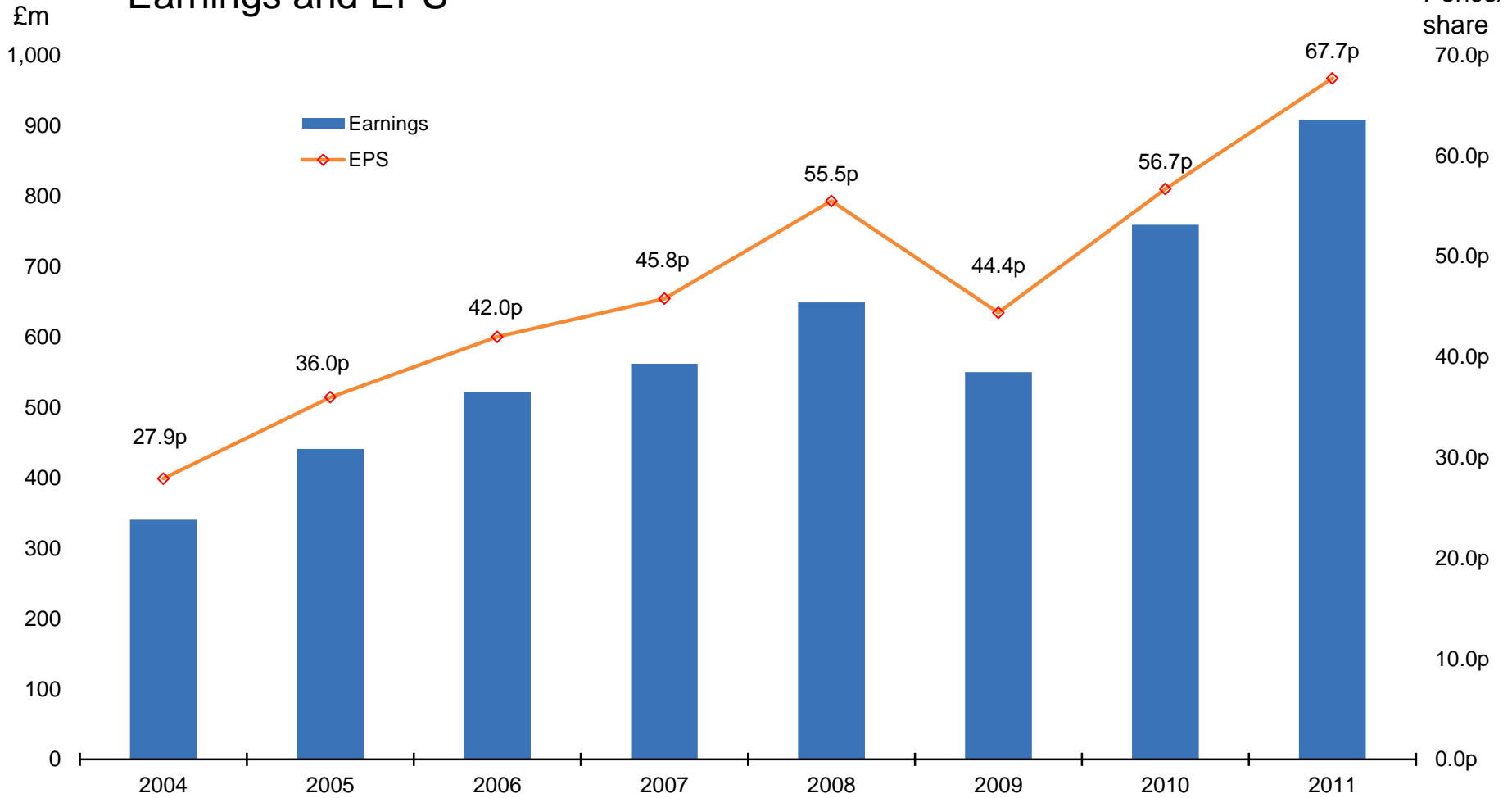
² Net of disposal proceeds and net of acquired cash





Results for 2011

Earnings and EPS¹



¹ Headline Diluted Earnings and Headline Diluted EPS





Results for 2011

Taxation

- Headline tax rate of 22%, same as 2010.
- Reported tax rate of 9% in 2011 (2010 – 22%) reduced by exceptional release of prior year corporate tax provisions and deferred tax credits in relation to amortisation of acquired intangible assets.
- Cash tax paid of £248m compares to £207m paid in 2010.
- Social taxes paid during 2011 over \$1.2bn.





2 Key Priorities, Objectives and Strategy





Key Priorities, Objectives and Strategy

New Markets, New Media, Consumer Insight and “Horizontality”

Macro

- Signs of growth in the US pre-election
- Stronger growth in Asia, Latin America, Africa and Central & Eastern Europe
- Although muddling through, Eurozone debt uncertainties holding back growth in the region and UK, and looks like a slog
- Elections pending in US, France, Germany, Mexico, Turkey and Russia
- Uncertainty over Iran and generally in the Middle East with impact on oil prices and inflation
- Questions over hard or soft landing in China
- 2012 looks similar to 2011 but the need for deficit reduction after the US election may impact 2013

Micro

- Client comments generally indicate increased spend, where reductions, re-direction of funds to digital
- Quadrennial events should underpin growth
- Efficiency and effectiveness still key
- Clients search for share in global growth increases the importance of BRICs, Next 11, CIVETS, MIST and new G8
- Double whammy: clients investing in capacity and brands in faster growing markets and in brands in mature markets to maintain or increase share
- “Horizontality” and creativity
- Focus on growth and employment





Key Priorities, Objectives and Strategy

Over \$1.2bn in Social Taxes¹

Group Payroll Taxes Excluding Associates

Year to 31 December 2011	Employers Social Taxes \$m	Employees Social Taxes ¹ \$m	Social Taxes Per Head ¹ \$'000
USA	174	131	12
France	111	52	45
UK	104	71	17
Germany	62	62	23
Brazil	47	10	17
Spain	39	7	14
Italy	38	12	24
Sweden	20	4	28
China	19	6	4
Australia	12	3	8
Other Countries	157	89	5
Total	783	447	11

¹ Estimate



Key Priorities, Objectives and Strategy

Over 9,000 Jobs Created by Business Growth
Net People Additions Excluding Associates

Year to 31 December	Like-for-Like 2011/2010	Like-for-Like 2010/2009
China	1,008	498
UK	907	538
India	456	490
Brazil	310	315
USA	233	1,876
Germany	193	(98)
Indonesia	148	116
Singapore	135	167
Thailand	123	52
Mexico	119	140
Other Countries	1,100	393
Total	4,732	4,487





Key Priorities, Objectives and Strategy

New Markets, New Media and Consumer Insight

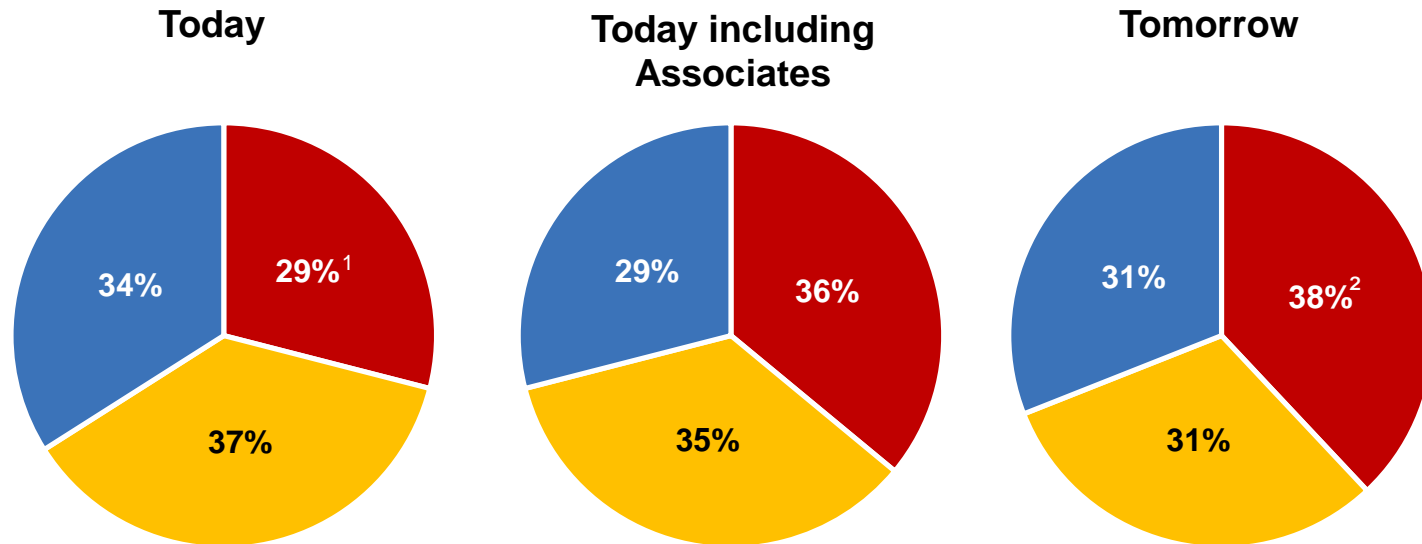
- Faster growing markets now to be over one third of total Group (35% - 40%).
- New media now to be over one third of total Group (35% - 40%).
- Quantitative disciplines including consumer insight to be over one half of total Group, with focus on digital and consumer insight, data analytics and new technology.





Key Priorities, Objectives and Strategy

Faster Growing Markets to be 35% - 40% of Total Group



- North America
- UK & Western Continental Europe
- Asia Pacific, Latin America, Africa & Middle East, Central & Eastern Europe¹

¹ 29% today up 6% since 2006

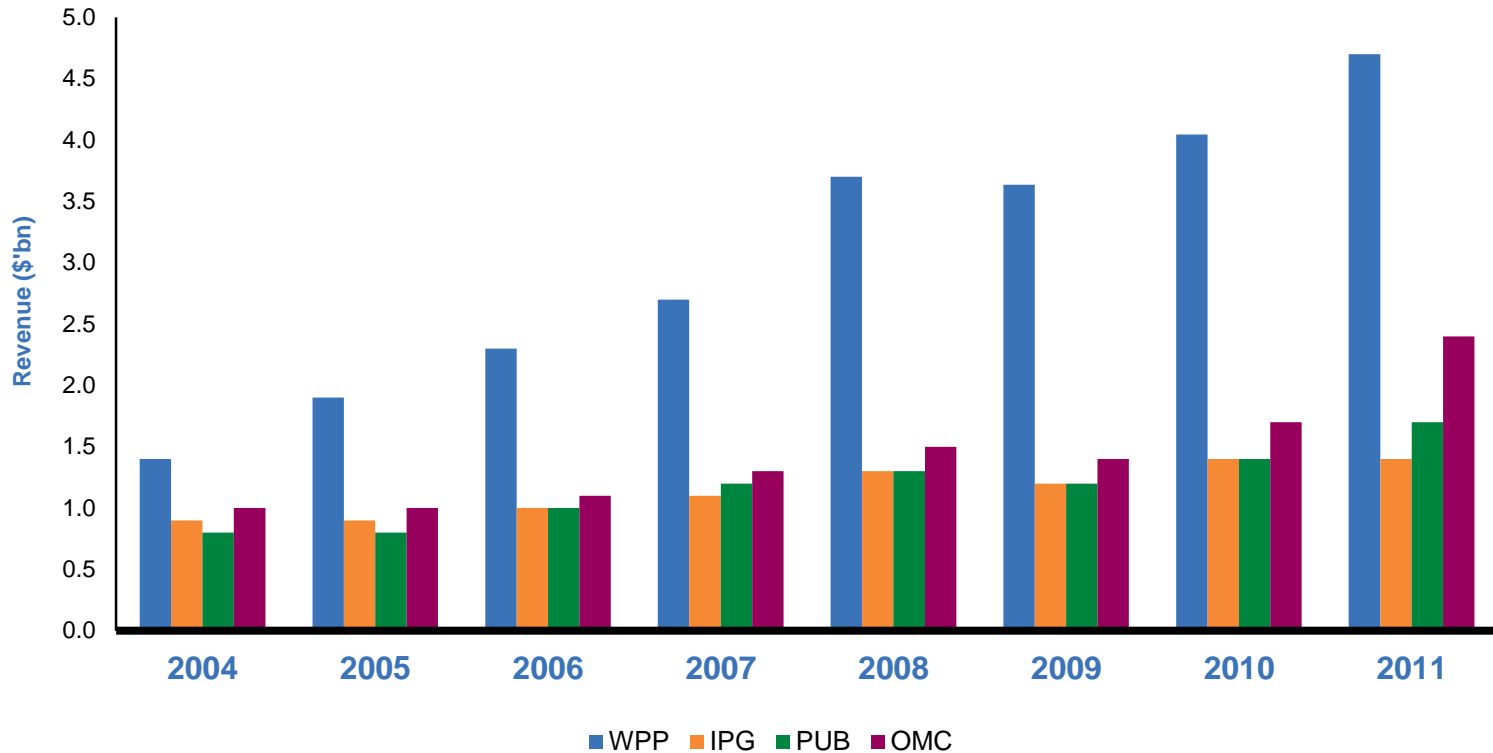
² Being mid-range of 35% - 40% target for faster growing markets





Key Priorities, Objectives and Strategy

Revenues in Faster Growing Markets 2004-2011



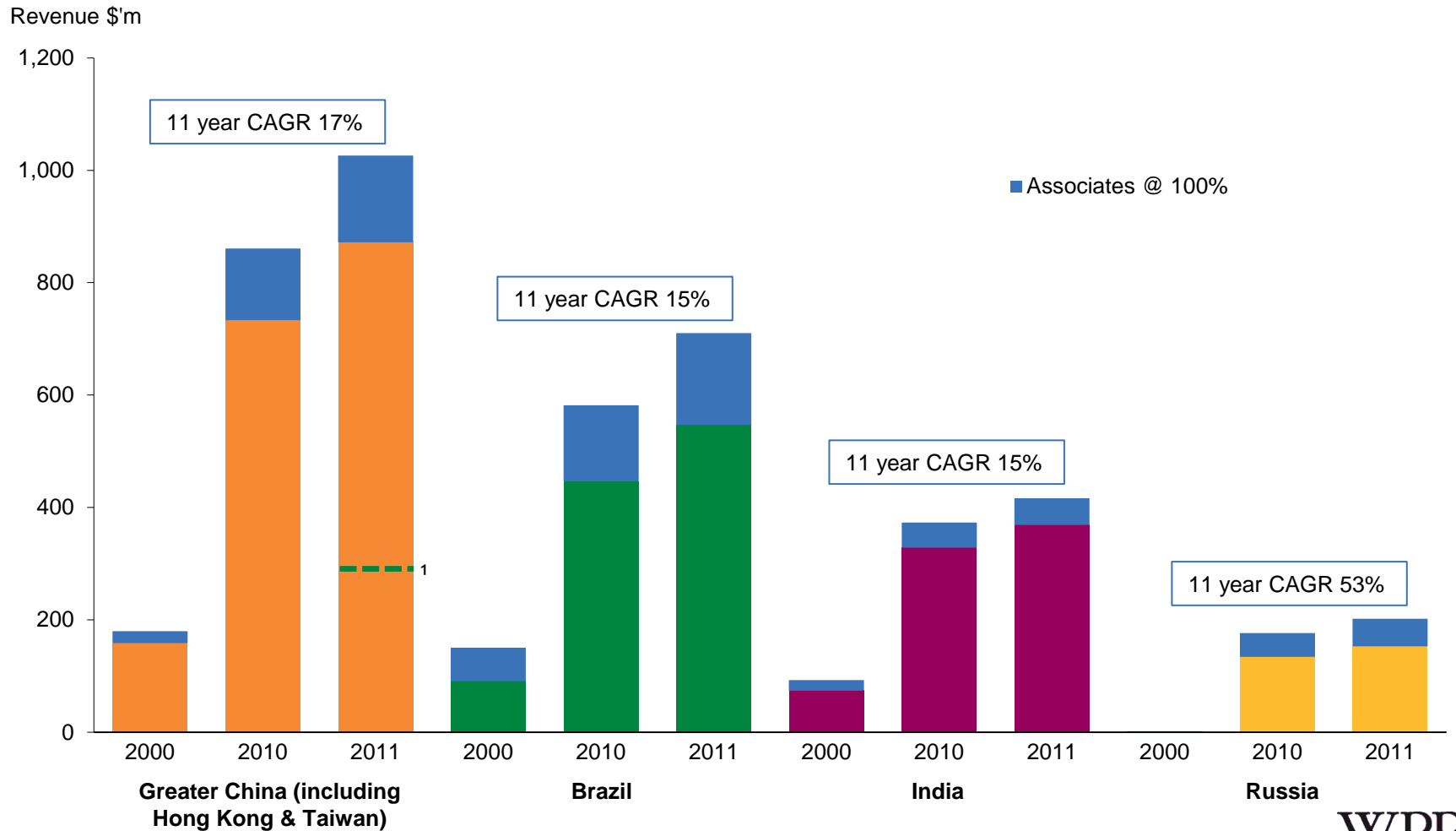
1. WPP reportable US\$'s per WPP results and peer \$ revenues as shown in annual results presentations
2. Peer data sourced from annual results translated at average exchange rate for the year (IPG, Publicis and Omnicom)
3. OMC Assumes "non-Euro currency" Europe, ie Switzerland, Turkey, Norway, Denmark, Sweden and Eastern Europe are 3% of revenue and Canada 1.5%





Key Priorities, Objectives and Strategy

WPP's Performance Strong in BRIC Markets



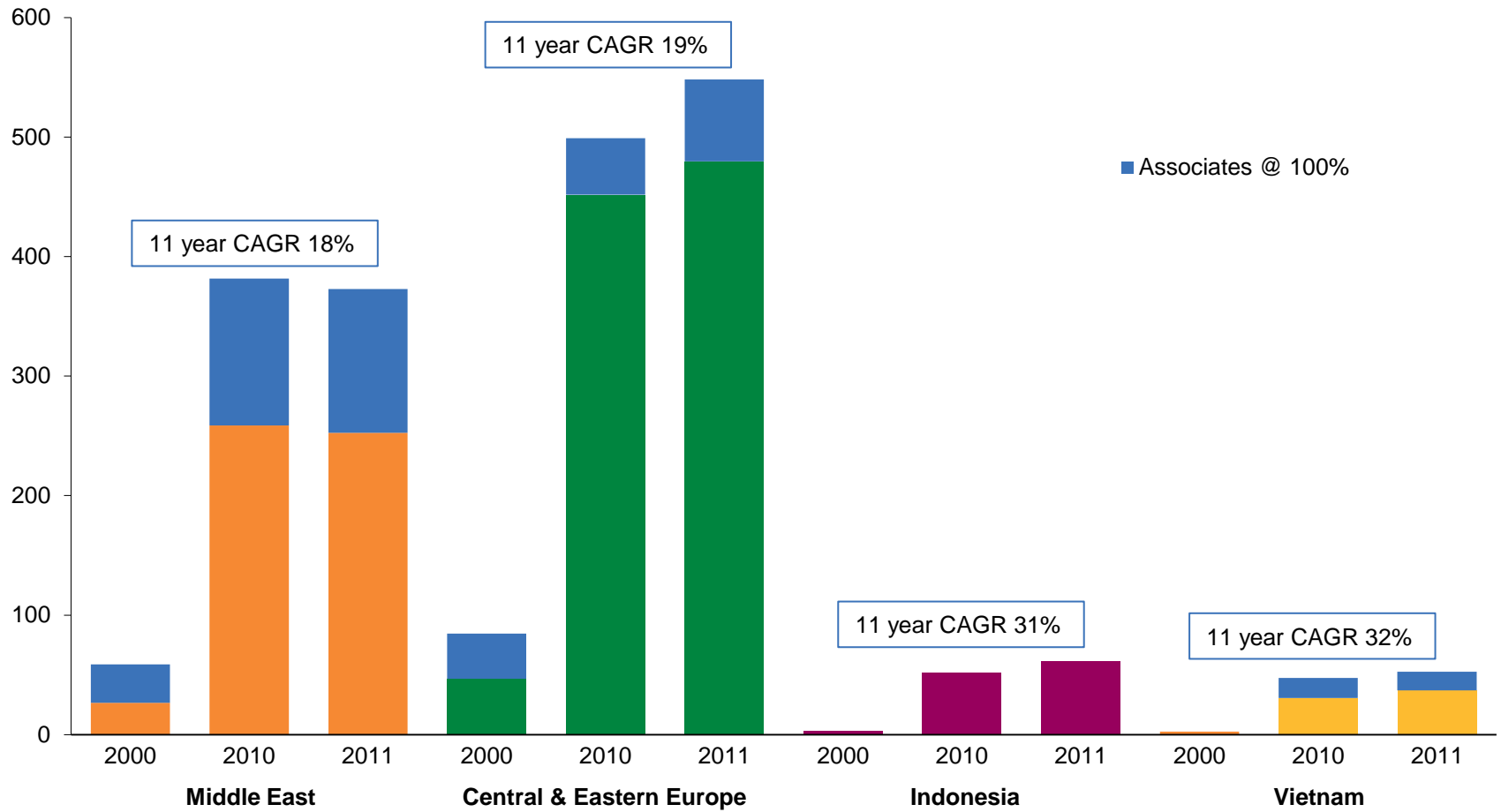
¹ Nearest competitor according to Wall Street Journal 15 February 2012 edition.



Key Priorities, Objectives and Strategy

WPP's Performance Strong in Other Faster Growing Markets

Revenue \$'m





Results for 2011

WPP in Faster Growing Markets

Region	Market	Billings ¹ \$bn	% Share ¹	Rank ¹	12 month ² Rev \$bn	People ² '000
Asia Pacific:	Greater China ³	5.6	33%	1	1.0	13
	India	2.4	43%	1	0.4	9
	Thailand	0.8	40%	1	0.1	2
LatAm:	Brazil	n/a	n/a	1 ⁴	0.7	5
	Mexico	0.4	21%	3	0.2	3
	Argentina	0.3	23%	2	0.1	2
Other:	Africa ⁵ /Middle East	2.0	28%	1	0.9	26
	Poland	0.6	33%	1	0.1	1
	Russia	1.8	28%	1	0.2	2

¹ Source RECMA Global Billings Rankings Definitive 2010 as issued June 2011

² Year to 31 December 2011 including associates, people at 31 December 2011

³ Greater China is China, Hong Kong and Taiwan

⁴ IBOPE rankings

⁵ Africa is South Africa only



Results for 2011

WPP Clear No. 1 in Brazil¹

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

Agency	R\$'bn	Rank
Y&R	6.2	1
Ogilvy/141 SoHo	3.5	2
JWT	3.0	3
Almap/BBDO	2.8	4
W/McCann	2.3	5
Euro RSCG	2.2	6
BorghiEhr/Lowe	1.9	7
Africa	1.8	8
Neogama/BBH ²	1.8	9
Publicis	1.8	10
Total Top 10 Agencies	27.3	

WPP PUB IPG OMC

WPP

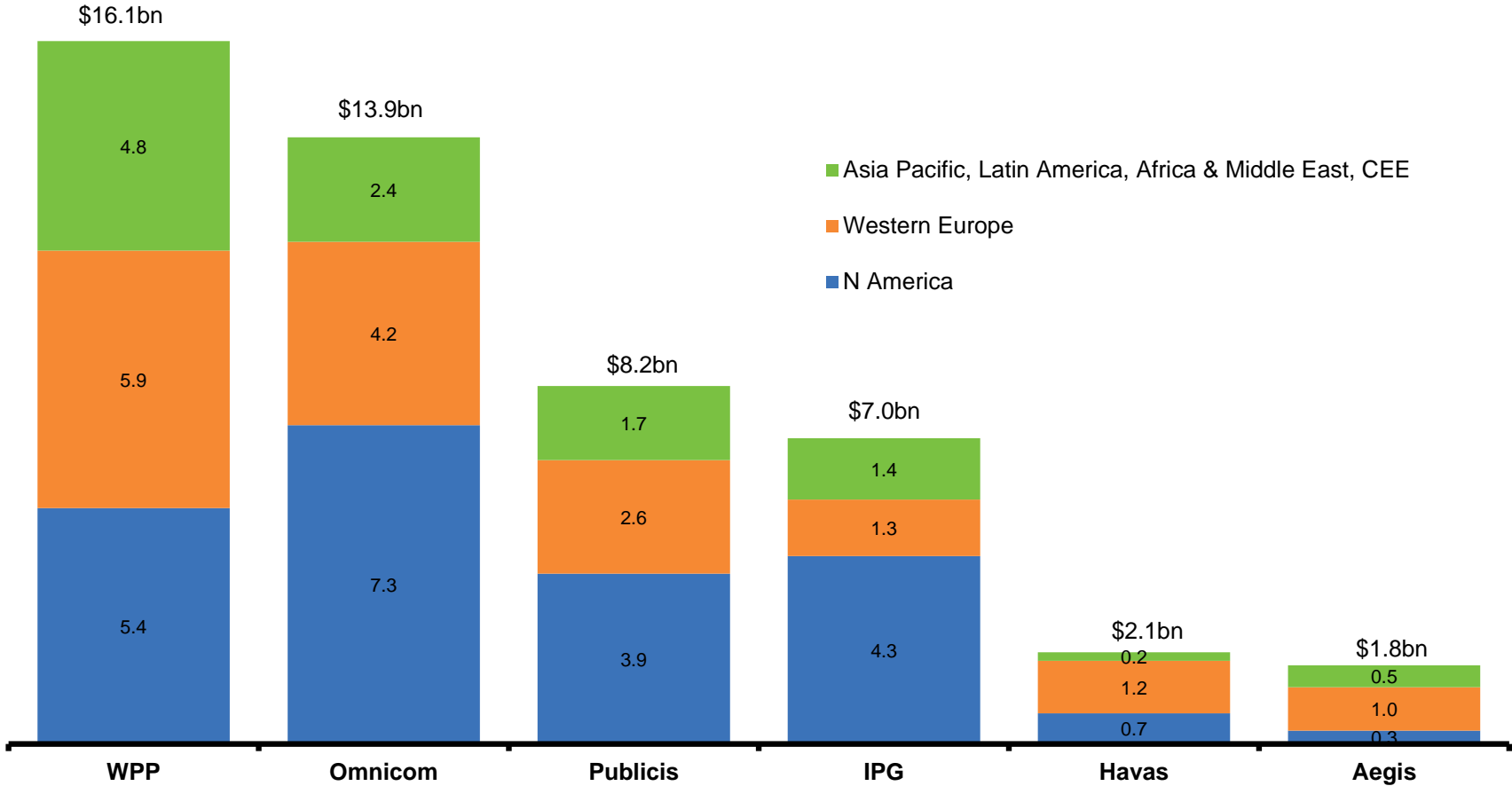
¹ Source of data “IBOPE Monitor” survey of 2011 media spend issued February 2012

² Minority holding through BBH



Key Priorities, Objectives and Strategy

2011 Revenue by Geography



¹ Source: WPP – reportable US \$'s per WPP preliminary results. Omnicom, IPG, Publicis and Havas - company presentations for 2010 with CEE estimated at 3%.

² FX. Havas and Publicis assumes \$1=€0.75 based on the average for 2011

³ OMC. Assumes “non Euro currency” Europe, ie Switzerland, Turkey, Norway, Denmark, Sweden are ca 3% of revenue and Canada is 1.5% of revenue

⁴ IPG. Assumes Canada is ca 1.5% of revenue ⁵Rest of World. Asia Pacific, Latin America, Middle East and Africa

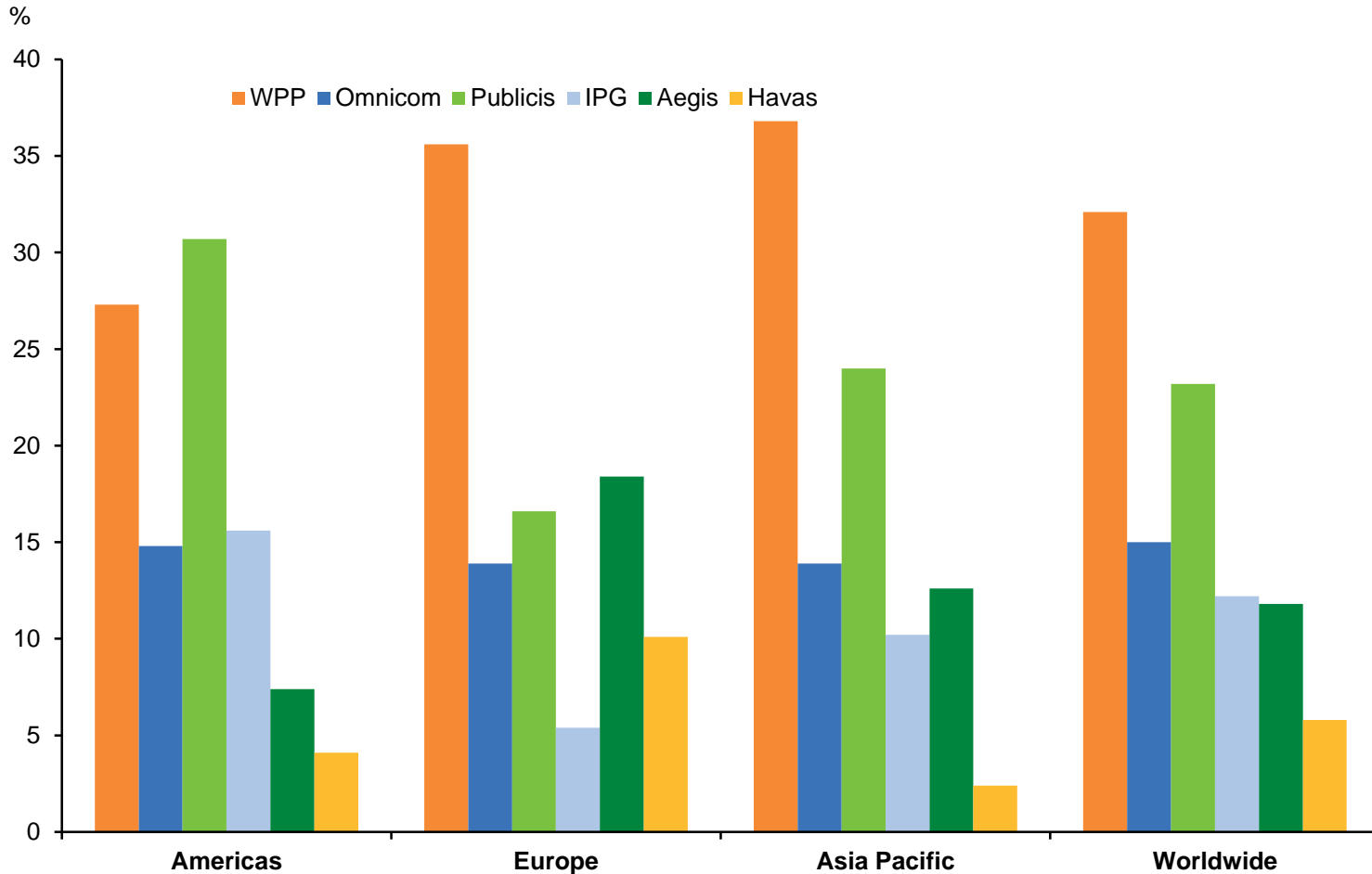
⁶ Aegis. Based on analysts' estimated revenue at '10 splits (excluding marketing services due to sale of business)



Key Priorities, Objectives and Strategy

Media Billings by Geography

Worldwide Ranking by Group as % of the Six Groups



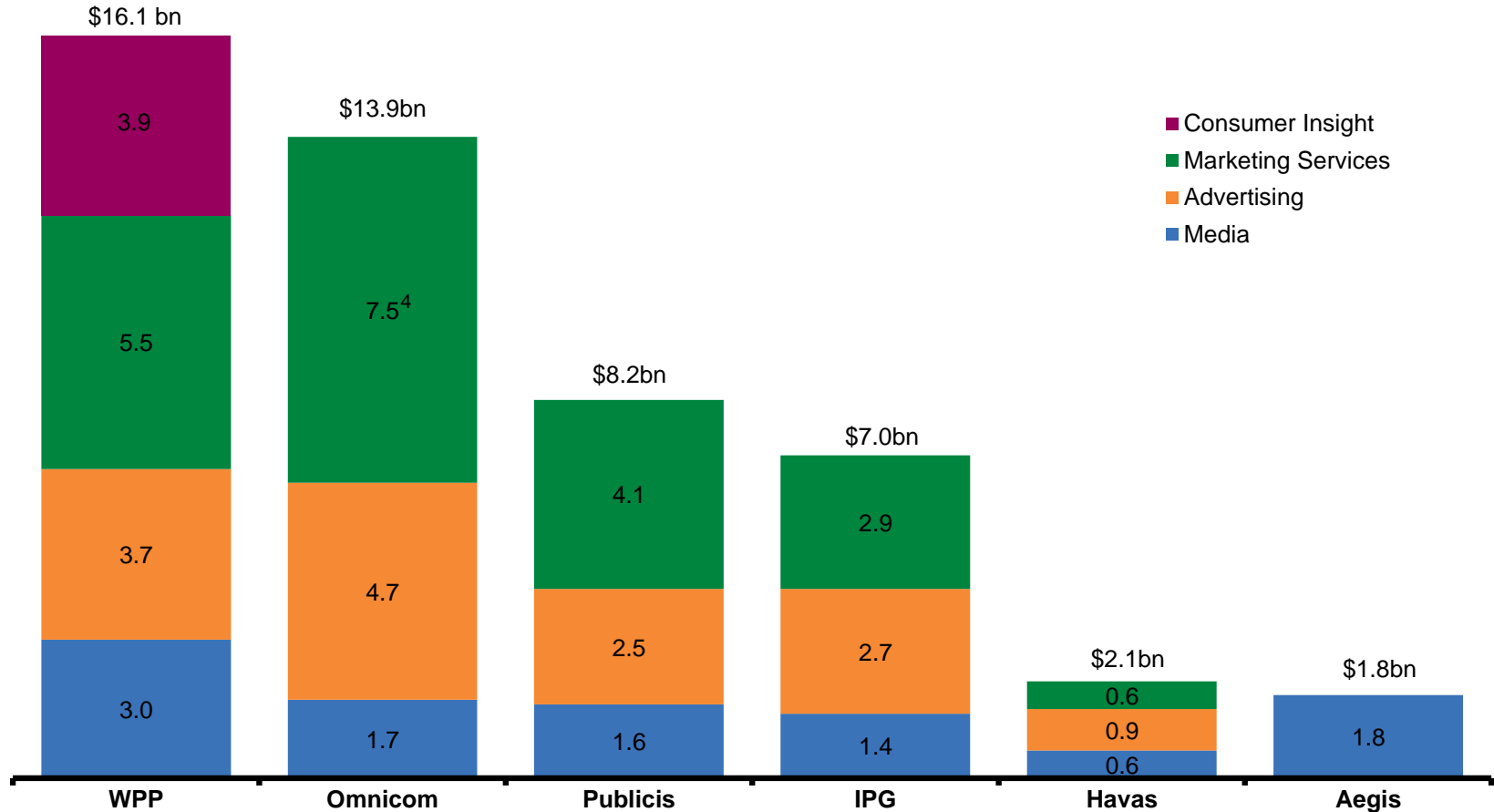
Source: RECMA July 2011 billings report, based on 2010 data.





Key Priorities, Objectives and Strategy

2011 Revenue by Discipline

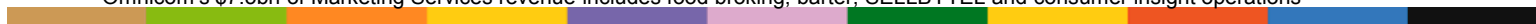


Source: ¹ WPP reportable US \$'s per WPP preliminary results

² 2011 company disclosures except: Aegis '11 consensus estimate revenue at '10 splits excluding marketing services due to business sale, Havas, and IPG media splits analyst estimates

³ FX. Havas and Publicis assumes \$1=€0.75 based on the average for 2011

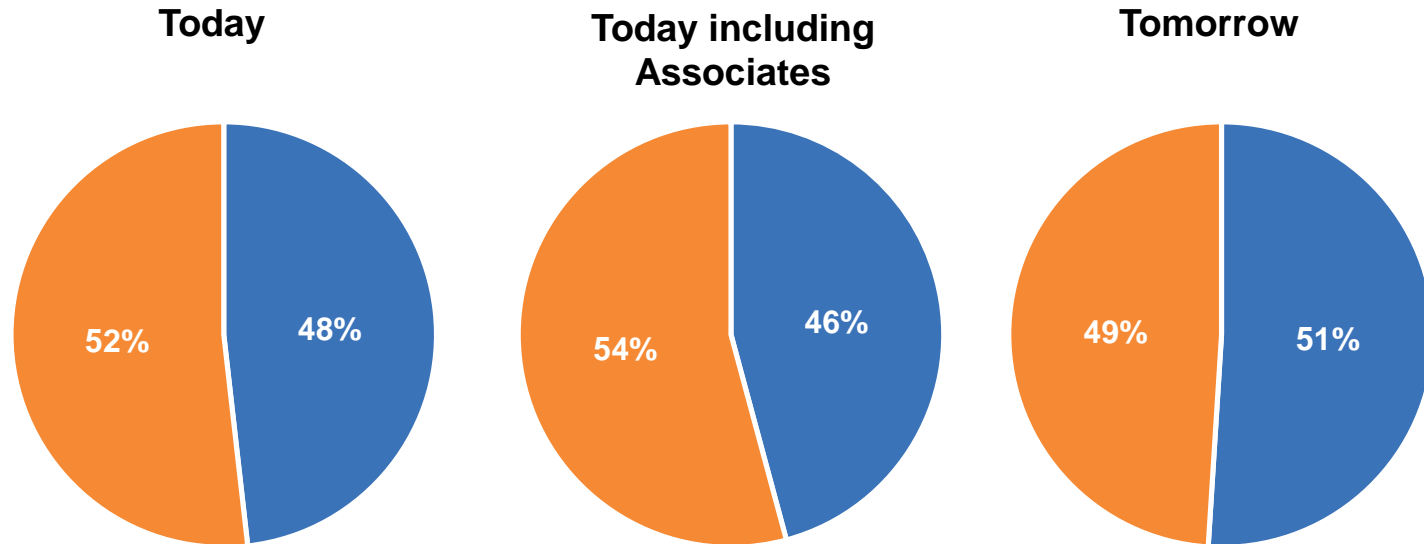
⁴ Omnicom's \$7.5bn of Marketing Services revenue includes food broking, barter, SELLBYTEL and consumer insight operations





Key Priorities, Objectives and Strategy

Quantitative Disciplines to be over One Half of Total Group



- Consumer Insight and Direct, Digital & Interactive
- Advertising, Media Investment Management & Other Marketing Services

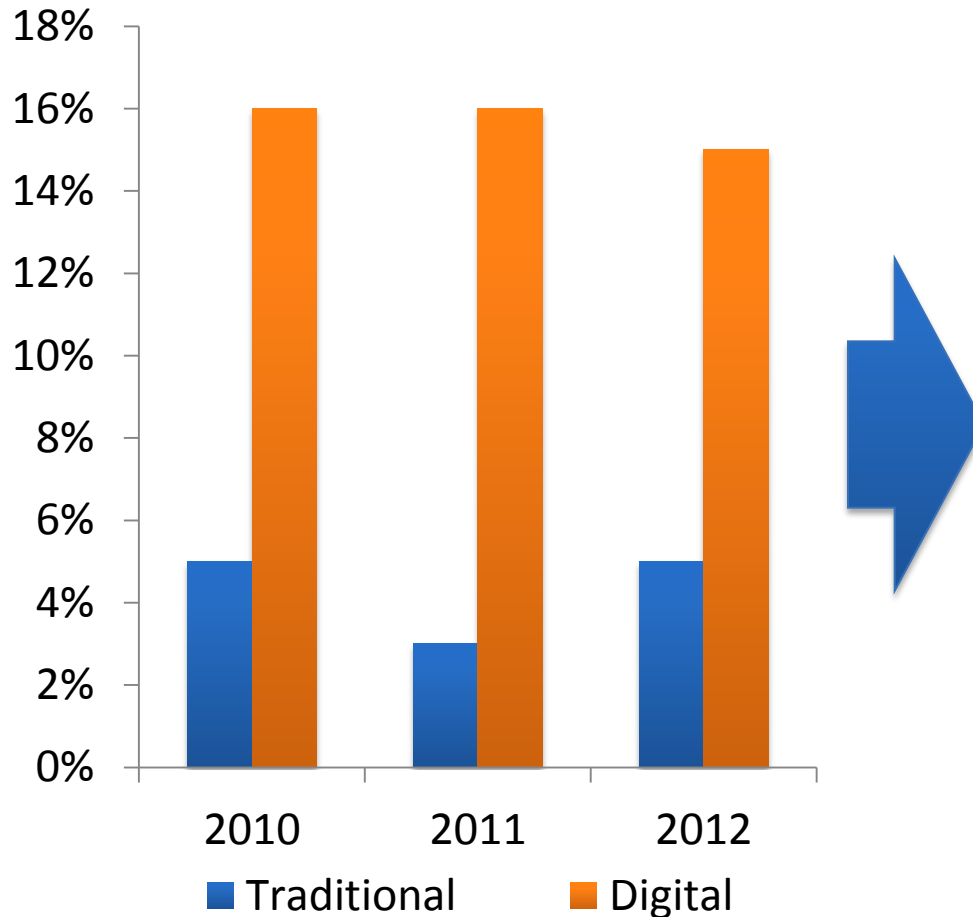




The Digital Opportunity

Today - 17% of Ad Spend

Growth in Global Ad Spend



Key Areas of Client Focus

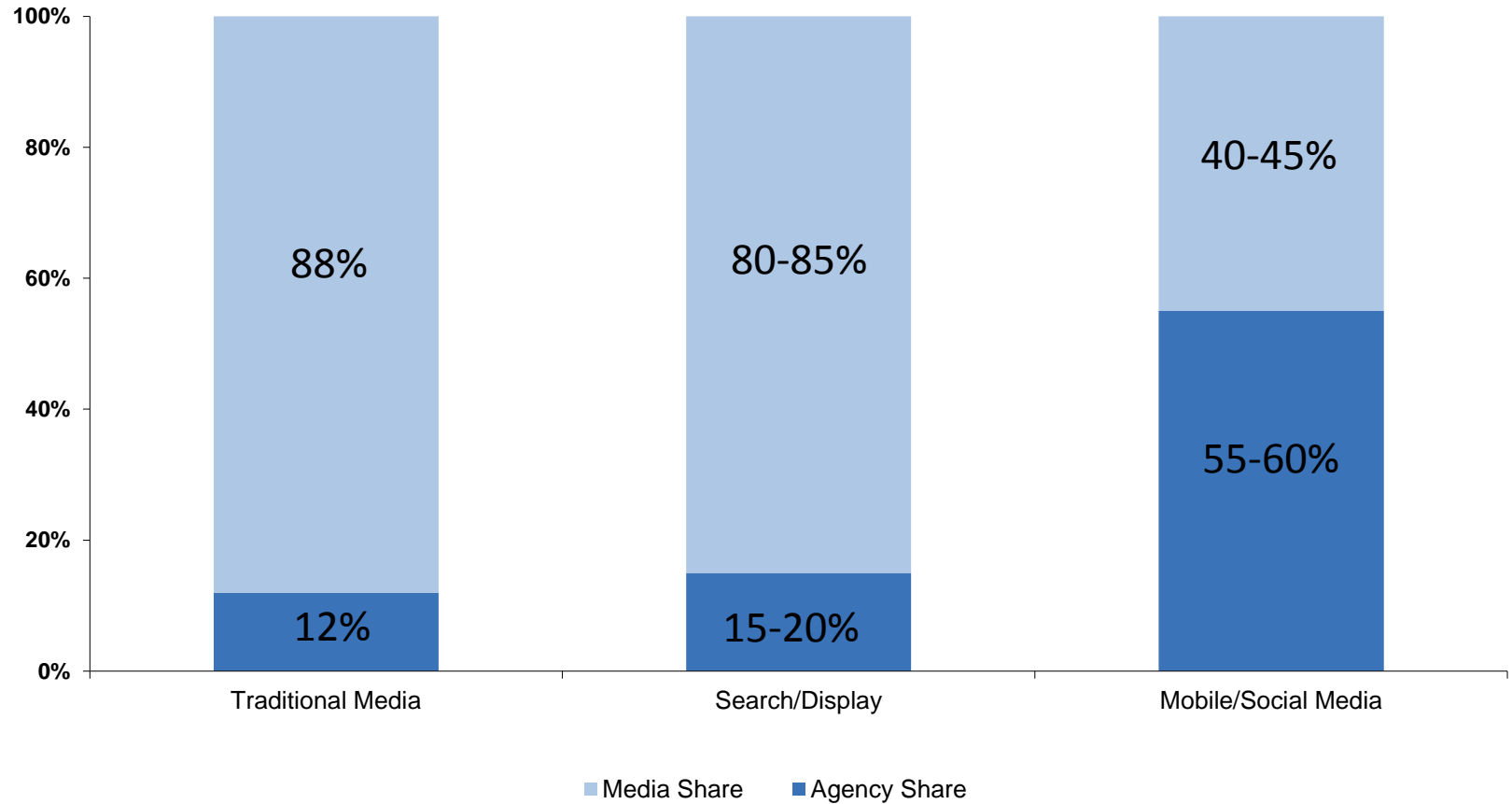
- Search and display media, particularly audience buying
- Mobile for next 4 billion consumers
- Social media – 25% of time on Facebook, Twitter, blogs, etc
- e-commerce for all categories from auto to fmcg

WPP



New Services Offer Greater Revenue Potential

Share of Client Expenditure to Agency and Media Owner



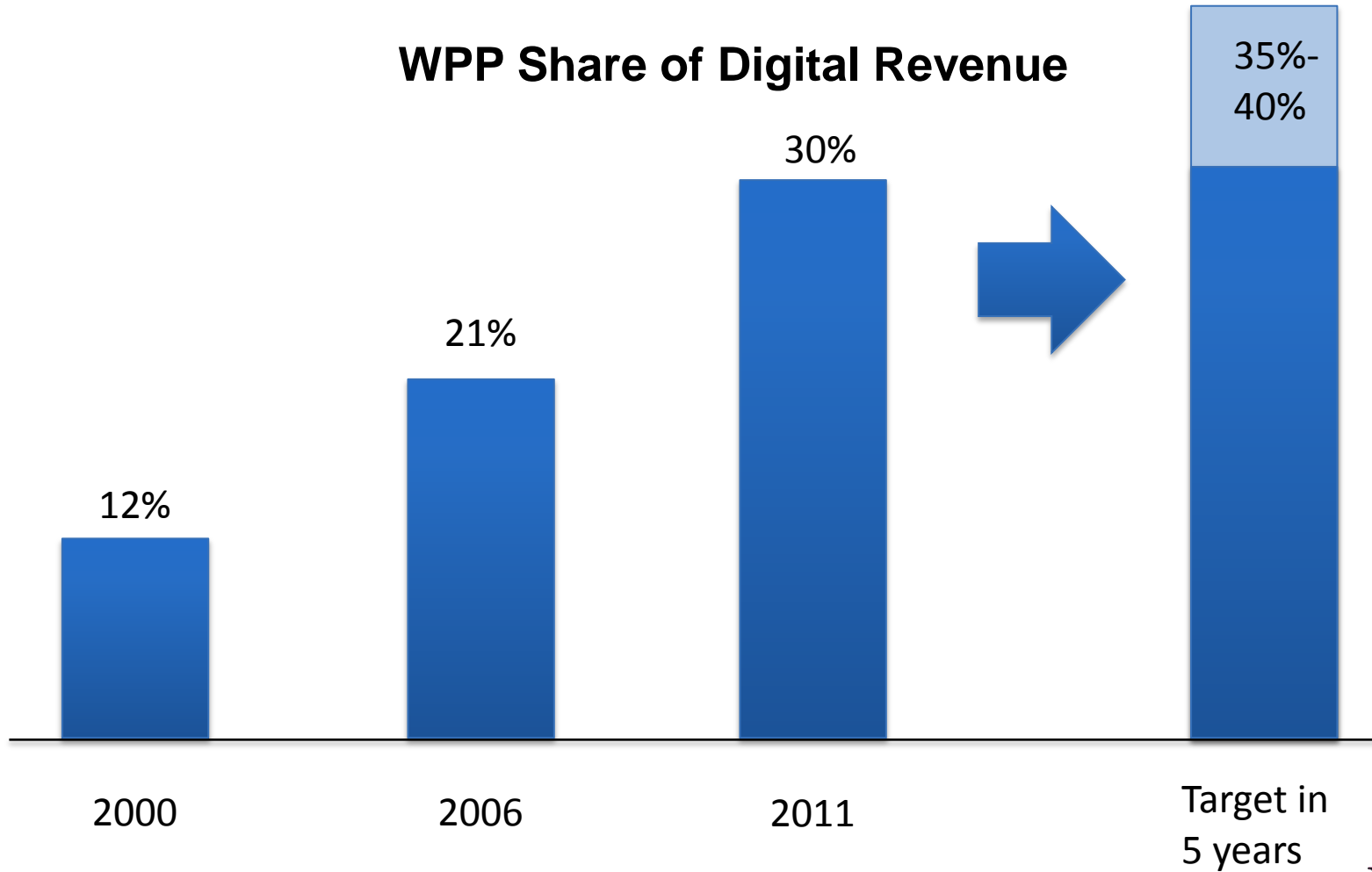
Source: Exane BNP Paribas April 2010

Delivering Results

Today - 30% of WPP Revenues



WPP Share of Digital Revenue



WPP's Digital Offer

Beyond Advertising



Digital Media

- Audience Buying
- Paid Search
- Search Engine Optimisation
- Social Media - Facebook, Twitter



Social Media

- Social media campaigns
- Social media analysis and monitoring



Web Development

- Web sites
- Intranets
- eCommerce



Mobile

- Mobile and tablet applications
- Mobile media
- Coupons
- Location-based offerings



Data and Analytics

- Real-time data analysis
- Tracking and targeting
- Integration of multiple data sources



Platforms

- Web marketing platforms
- Media buying platforms
- Data management platforms
- Offshore digital production

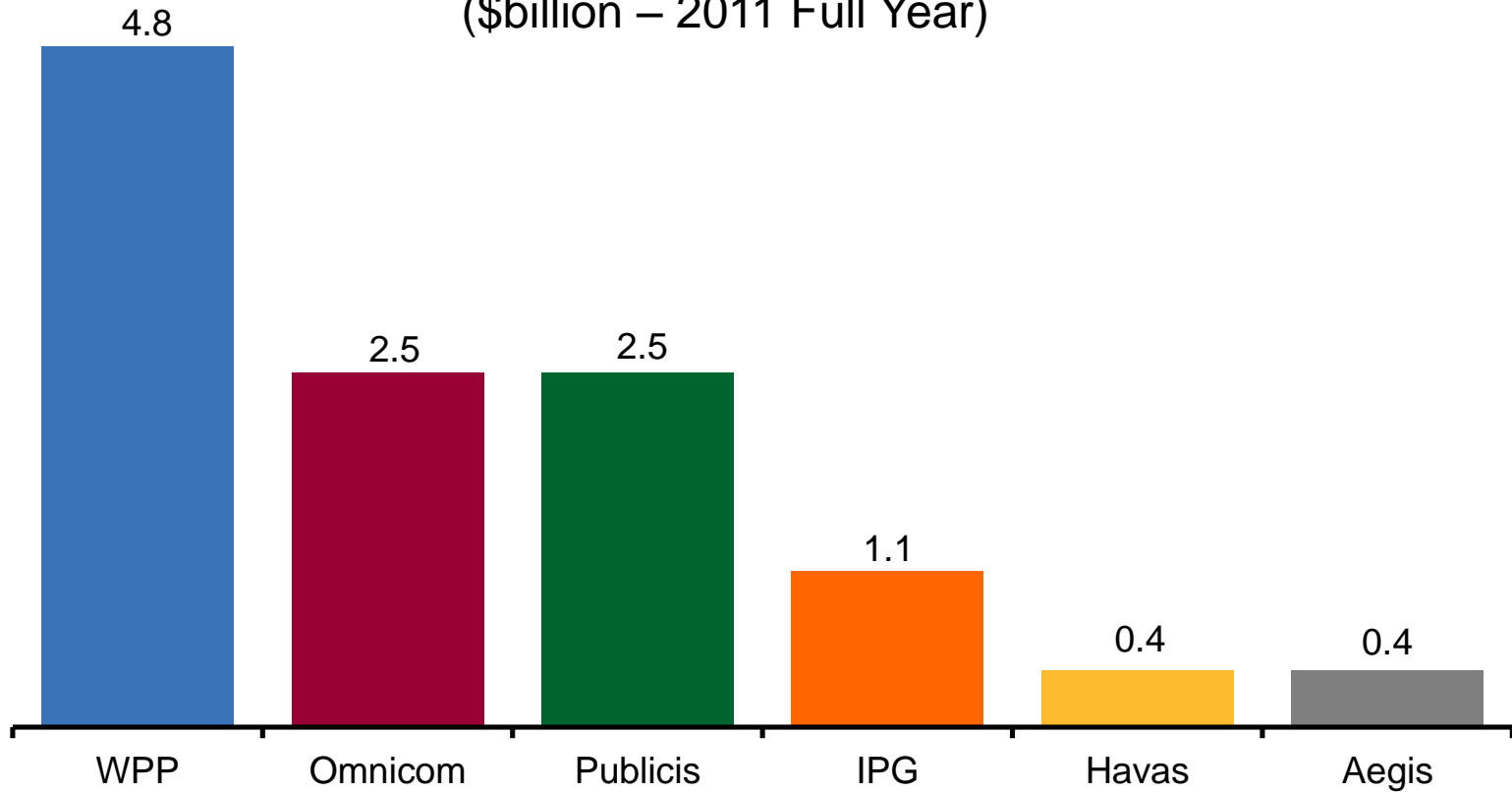




Digital In All Our Businesses

Global Scale and Quality

Digital Revenues
(\$billion – 2011 Full Year)



WPP

¹ Peer digital revenue \$bn according to Ad Age %'s applied to FY US\$ revenue.

WPP's Digital Strategy



1. Digital Everywhere

- Invest in digital in all of our businesses through training, recruitment, acquisitions, etc

2. Specialist Digital Expertise

- Develop new services beyond traditional advertising, e.g, web development, DSPs, mobile, social, eCommerce and eShopper, etc

3. Data and Technology

- Establish a proprietary technology platform – based on own and licensed technologies
- Invest in ability to control and use data for WPP and client benefit

4. Partner with digital leaders

- Build strong partnerships with leaders such as Microsoft, Google, Facebook, Apple, Twitter



Key Priorities, Objectives and Strategy

Digital Businesses – Two Major Global Networks

	Revenue \$'m
	950 ¹
	900 ¹
	300 ¹
  	300 ^{1,2}
	100 ¹
	125 ¹

¹ In WPP Direct, Digital and Interactive Networks

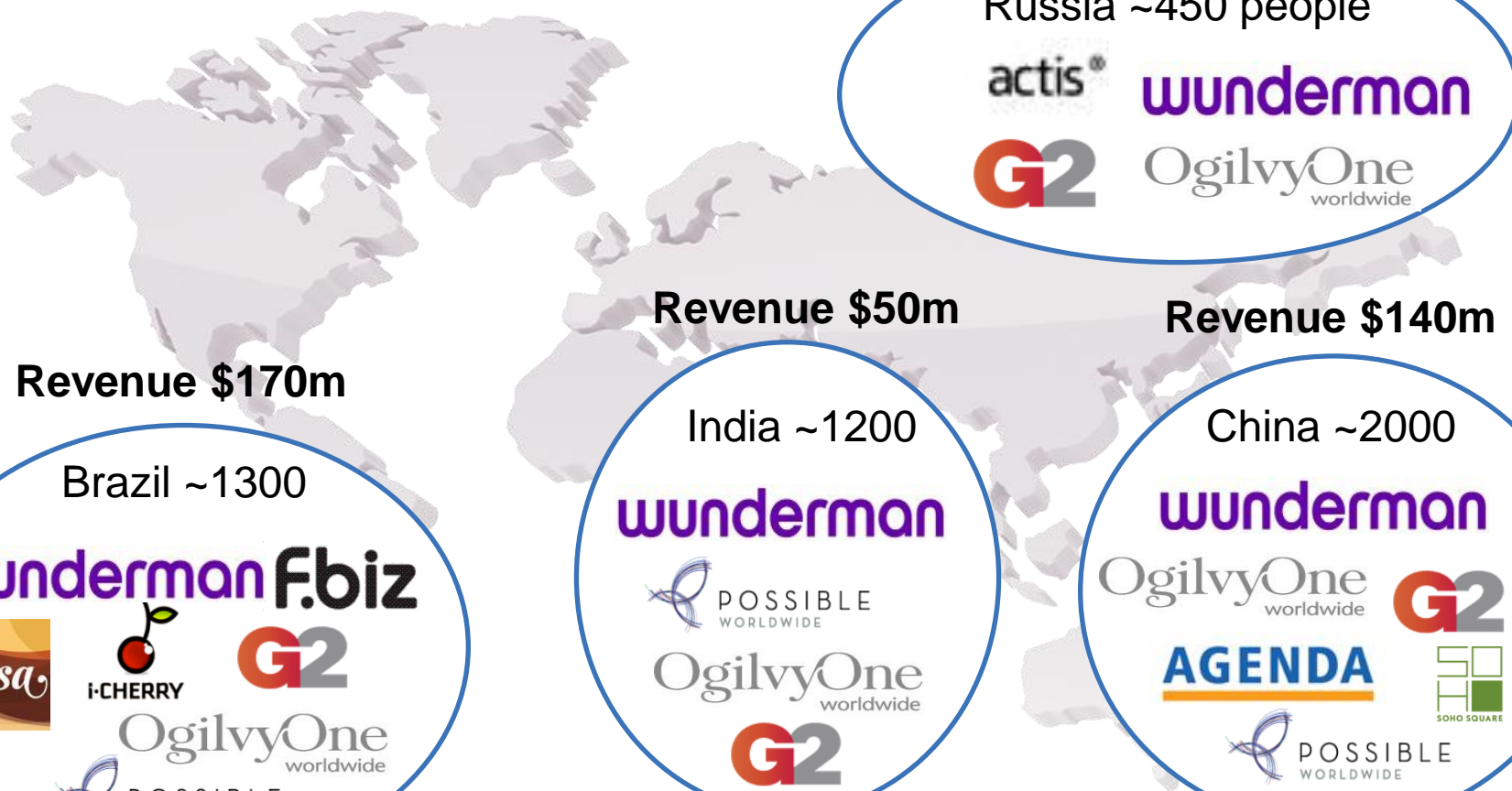
² In GroupM Digital





WPP's Global Digital Networks

Dominant position in BRIC Markets



Revenue \$50m

Russia ~450 people

actis® **wunderman**

G2 OgilvyOne worldwide

Revenue \$50m

India ~1200

wunderman

POSSIBLE WORLDWIDE

OgilvyOne worldwide

G2

Revenue \$140m

China ~2000

wunderman

OgilvyOne worldwide **G2**

AGENDA SOHO SQUARE

POSSIBLE WORLDWIDE

Revenue \$170m

Brazil ~1300

wunderman F.biz

Casa **i-CHERRY** **G2**

OgilvyOne worldwide

POSSIBLE WORLDWIDE



Application of Data and Technology to Media

Launch of Xaxis - Recognised Leader in Audience Buying



- **Product:** The only global audience buying solution; currently in 13 markets
- **Data:** First agency trading desk to offer clients a complete data warehousing solution
- **Technology:** Proprietary technology that protects client data and *objectively* measures all results
- **Team:** World's largest team of experienced audience trading professionals; recruited from DSPs, networks and publishers
- **Trading Power:** More direct relationships with premium publishers than any other trading desk – buying from Google, Microsoft, Yahoo, etc
- **Access:** Not just exchanges; access to media from publishers, networks, supply-side platforms
- **Channels:** Seamlessly reaches audiences across display, search, video, mobile and social media





Innovation for the Future

Mobile Marketing to the Next 4 Billion Consumers

Specialist Resources

ICONMOBILE

- Leading mobile marketing and design agency
- Operations in US, Germany, UK, China, Dubai

Joule

- Full mobile media agency
- Integration of outdoor with mobile media
- Delivery of audience and outcomes
- Presence in 3 countries

Key Partnerships



- Running Android competitions to promote mobile to clients
- Mobile now element of joint client plans



- US iAd media deal
- Most iAd deals for European launch



WPP



Innovation for the Future

Dedicated Social Initiatives for Clients

Specialist Resources

blue state digital

- Responsible for Obama campaign
- 160 professionals working on campaigns for politics, commercial clients

cymfony™

- Analysis of social media and blogosphere

BUDDY MEDIA

Every brand needs a buddy™

- Investment in leading social media platform – used by 8 of the world's top 10 brands

Key Partnerships

facebook

- Joint client development plans and workshops
- Major research projects underway
- Millward Brown branding studies

twitter




- Client trials for new ad products





Acquiring Digital Leaders

2011 Acquisitions/Investments

	<ul style="list-style-type: none">- Largest independent digital agency in Brazil with 200 people- Clients include Unilever, Campari, Itaú Unibanco, Vivo and NetShoes	Brazil
	<ul style="list-style-type: none">- Full-service US digital agency with strong technology credentials- Clients include Walmart, Sam's Club, Cisco	US
	<ul style="list-style-type: none">- São Paulo based digital agency with 65 people- Key clients include Coca-Cola, Absolut- Very strong creative heritage with 3 Cannes cyberlions	Brazil
	<ul style="list-style-type: none">- Leading full service digital agency in Vietnam, employing 25 people- Clients include Unilever, Megastar, HSBC, Baoviet and Sony Ericsson	Vietnam
	<ul style="list-style-type: none">- Shopper engagement agency focused on digital retail- Clients include Unilever, Walmart and Kimberly-Clark	US
	<ul style="list-style-type: none">- Digital marketing agency in Russia, acquired by Ogilvy & Mather- Key clients include Gazprom, MTS, LG	Russia
	<ul style="list-style-type: none">- Leading full-service digital agency in China, acquired by JWT- 80 people, key clients are Audi, Lenovo, Mamibuy and Nokia	China





Key Priorities, Objectives & Strategy

WPP Position in Direct, Digital and Interactive

	Revenue \$'m
Direct, Digital and Interactive Networks (OgilvyOne, Wunderman, G2 and WPP Digital)	2,615
% of Group revenues	17%
Specialist Direct, Digital and Interactive resources:	
- Consumer Insight (Millward Brown, TNS and Lightspeed)	1,026
- GroupM	518
- Other	615
Total 2011	4,774
% of Group revenues	30%
Total 2010 Proforma	4,384
% of Group revenues	29%

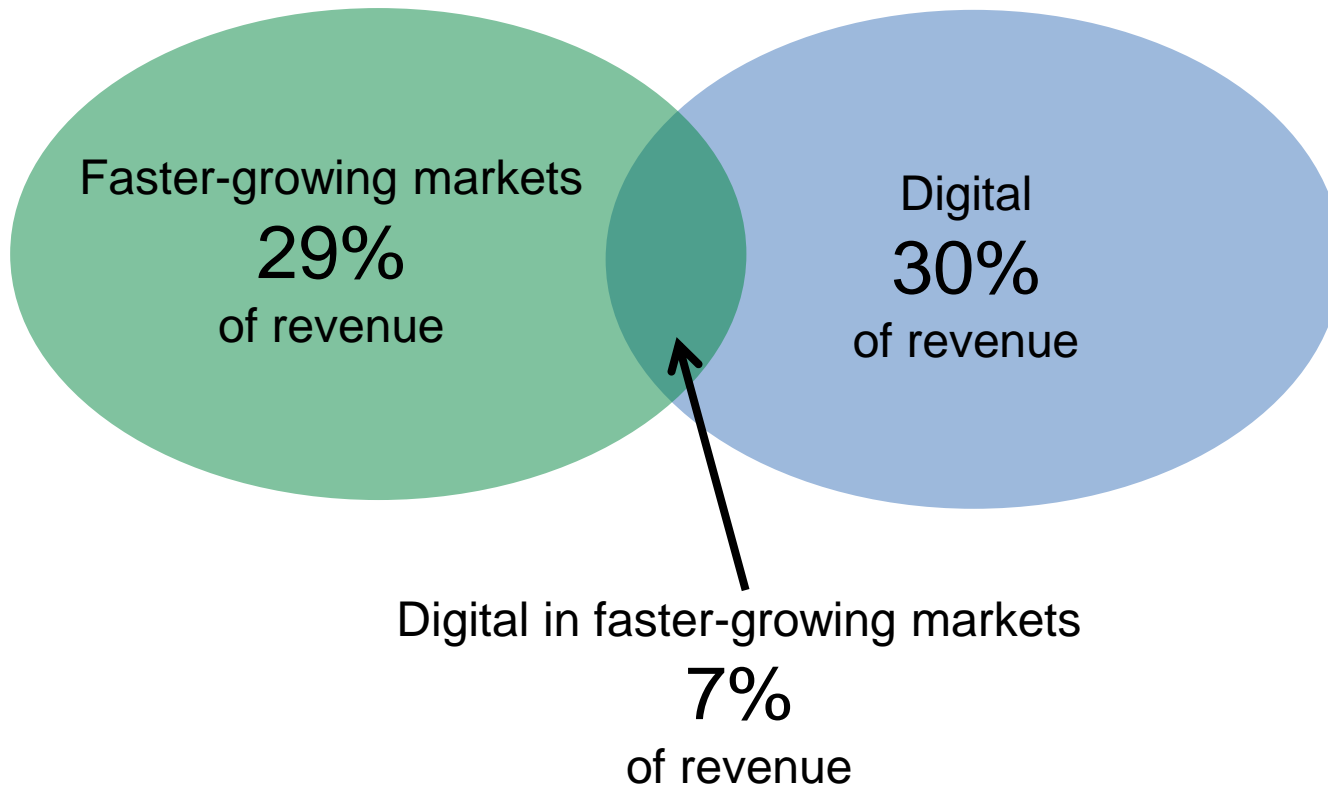




Digital and Faster Growing Markets

Long-Term Growth Drivers

- Overall 52% of 2011 Actual Revenues





Key Priorities, Objectives & Strategy

We Continue to Focus on Our Key Objectives

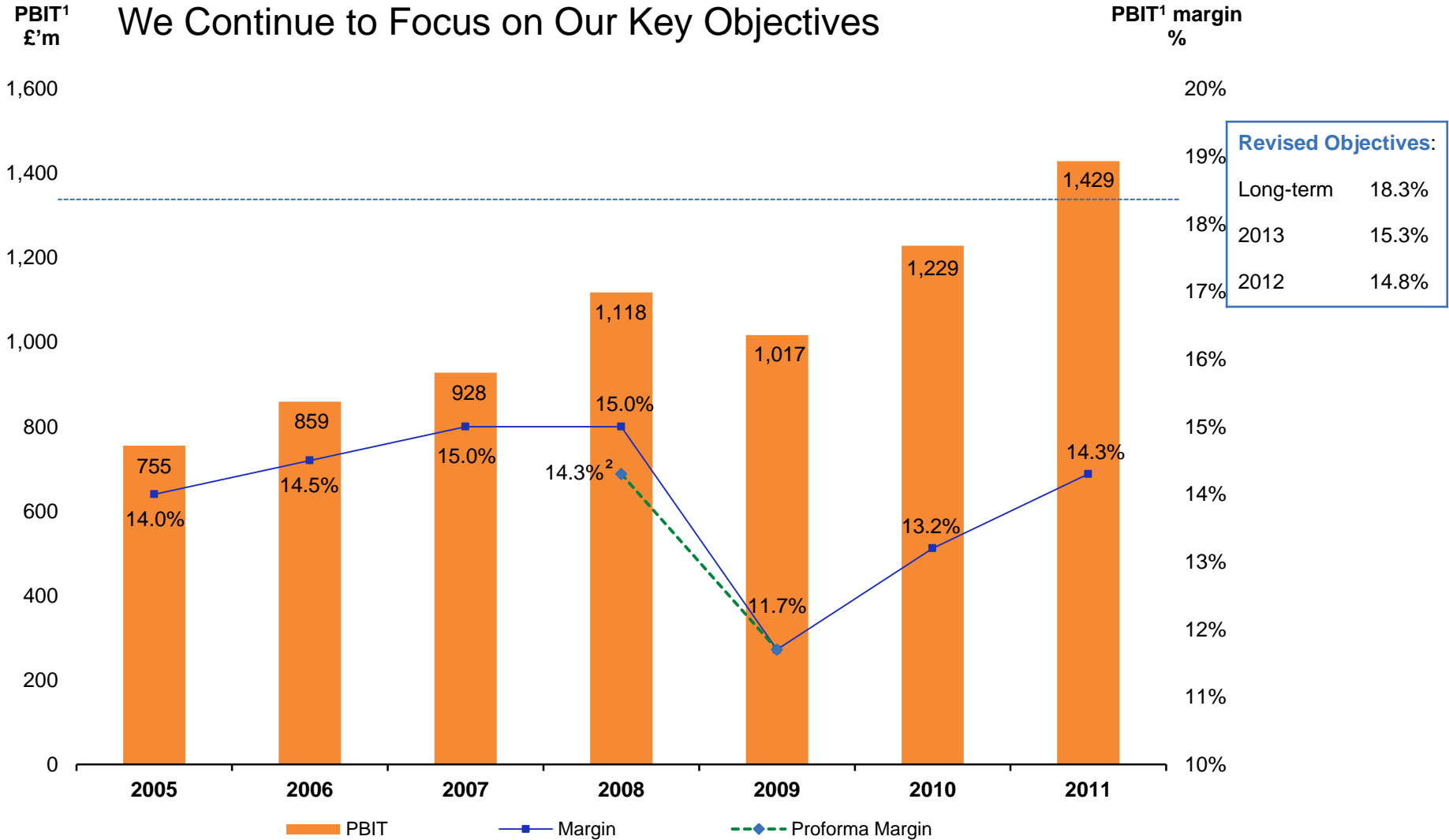
- Improving operating margins.
- Increasing flexibility in the cost base.
- Using free cash flow to enhance share owner value, and improve return on capital employed.
- Developing the role of the parent company.
- Emphasising revenue growth more as margins improve.
- Improving the creative capabilities and reputation of all our businesses.





Key Priorities, Objectives & Strategy

We Continue to Focus on Our Key Objectives



¹ Headline PBIT excludes finance income/ costs and revaluation of financial instruments, taxation, goodwill and intangibles charges, investment gains/losses, and share of exceptional gains/losses of associates

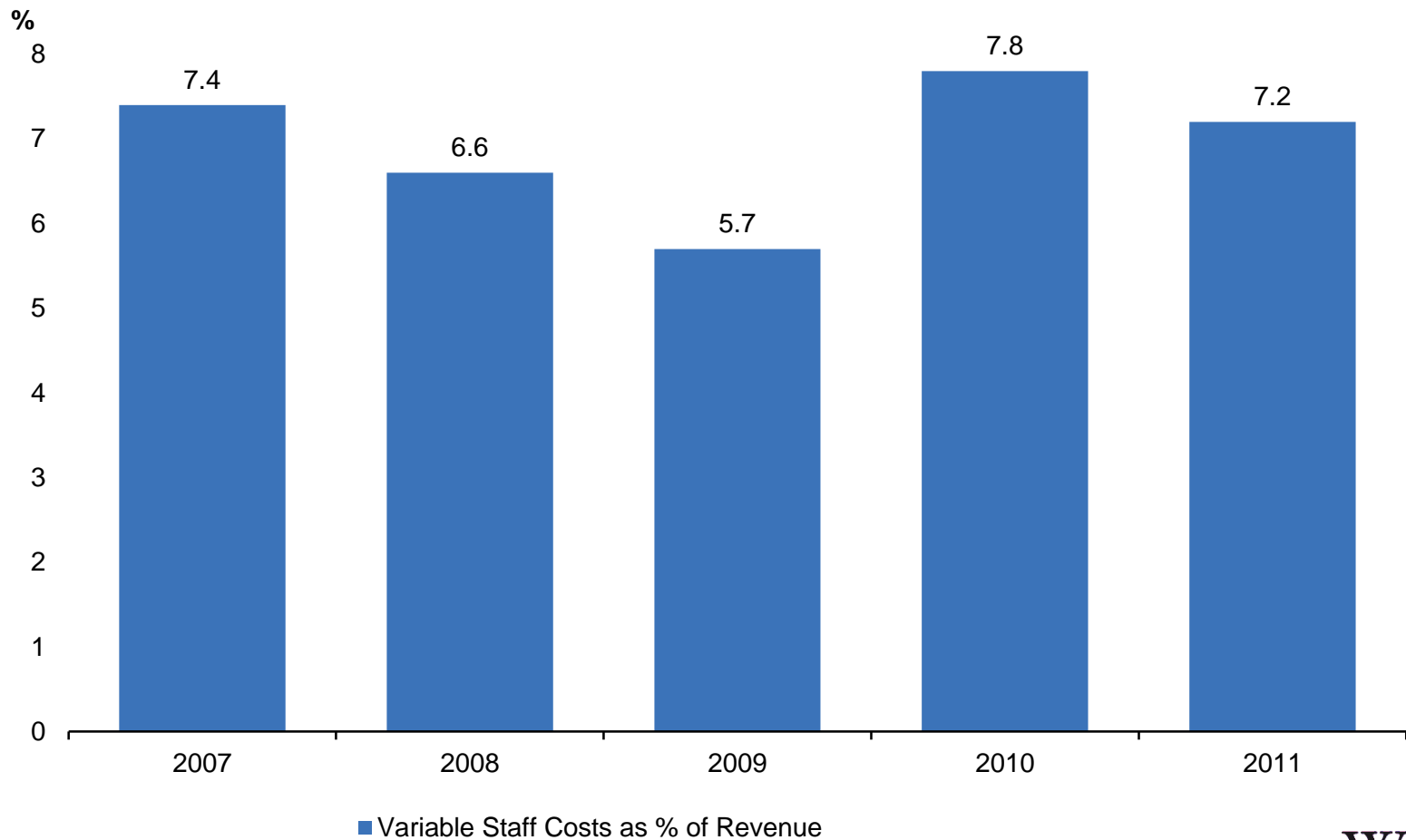
² 2008 proforma margin of 14.3% includes full year of TNS



Key Priorities, Objectives & Strategy

Flexibility in the Cost Base

Change in Variable Staff Costs

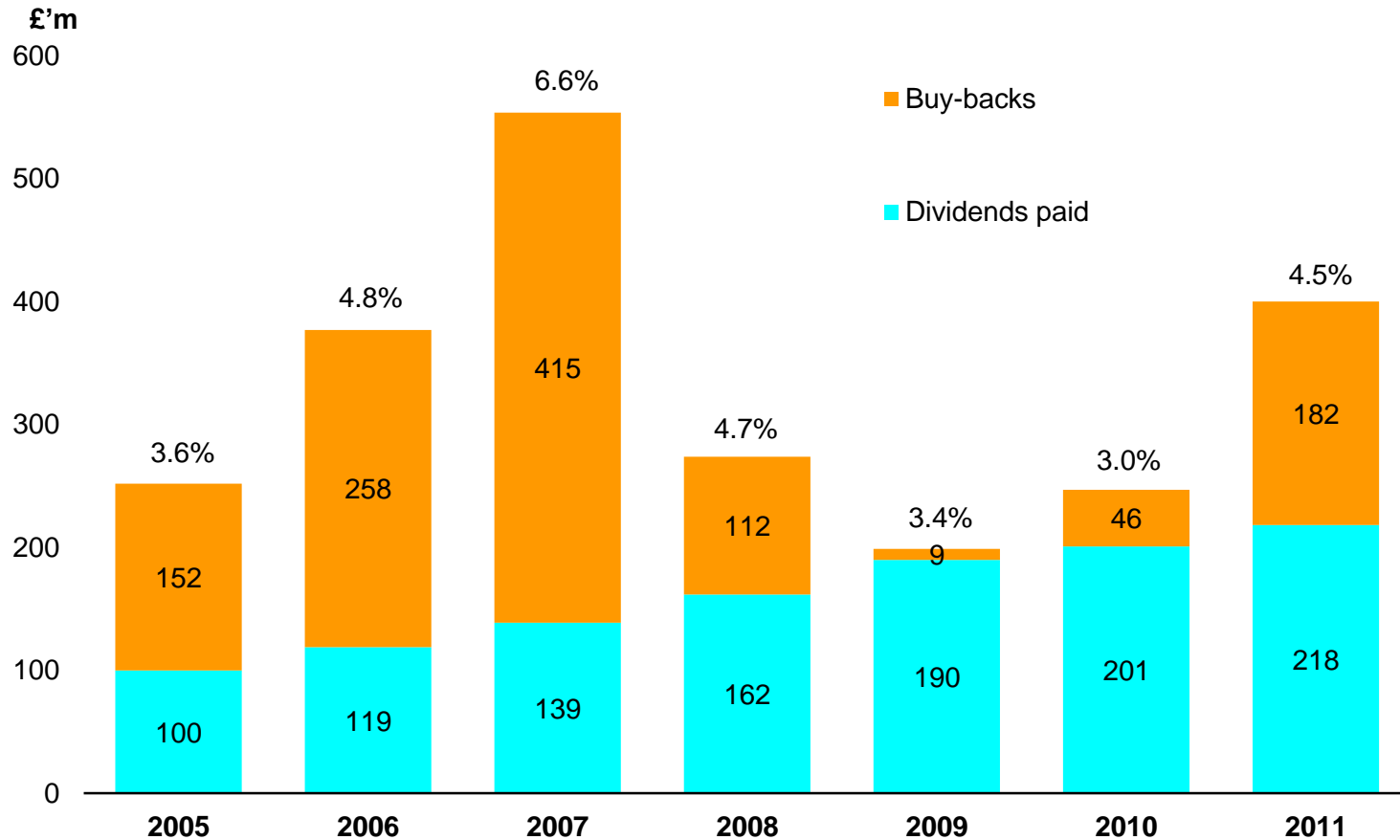




Key Priorities, Objectives & Strategy

Using Free Cashflow to Enhance Share Owner Value

Distributions to Share Owners¹

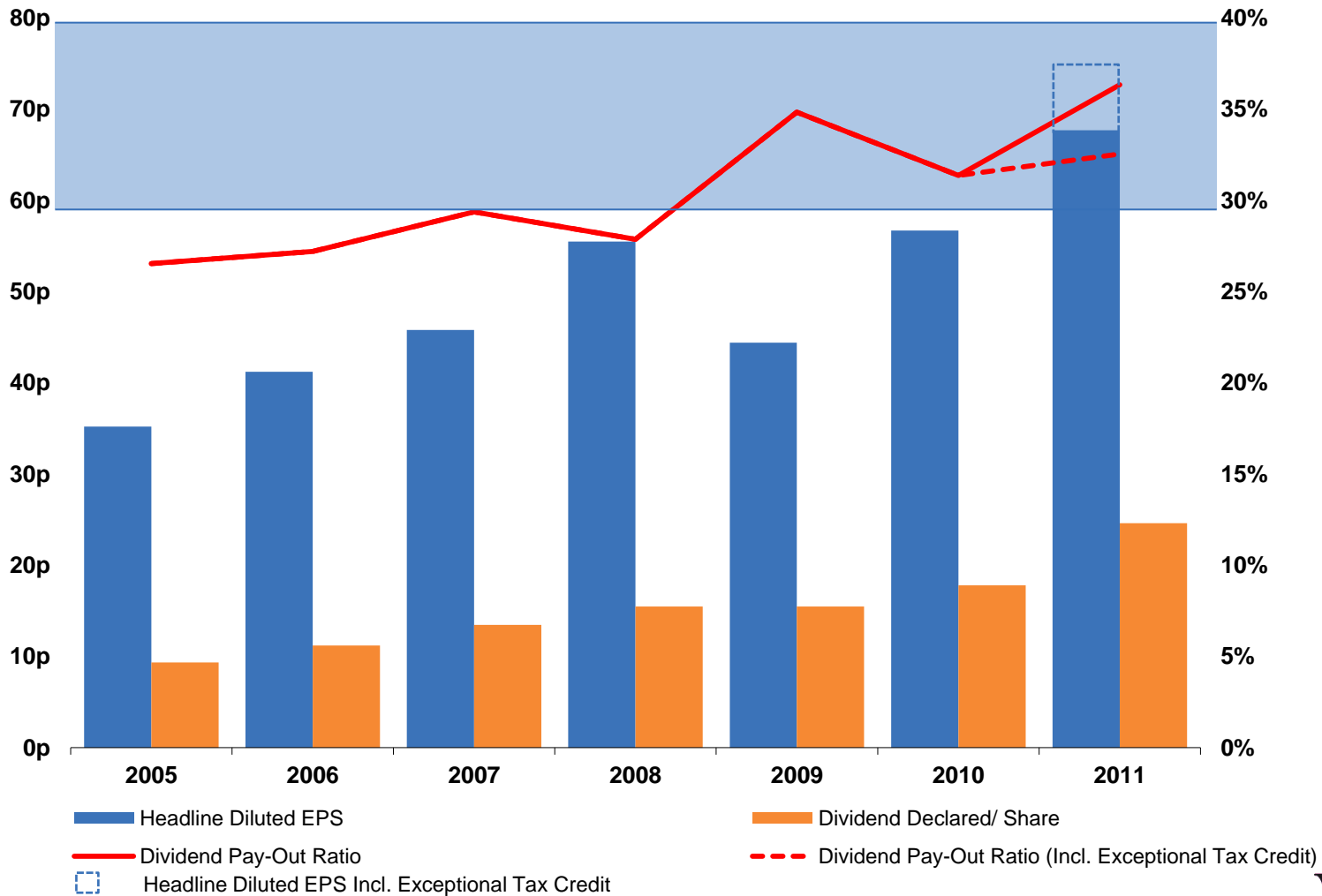


¹ Sum of share buy-backs and dividends paid divided by average shares in issue for the relevant period, as a % of the average share price for the relevant period



Key Priorities, Objectives and Strategy

Dividend Pay-Out Ratio





Key Priorities, Objectives and Strategy

Acquisitions

- Significant pipeline of reasonably priced small and medium sized potential acquisitions.
- Continue to focus on the faster growing geographical areas and marketing services, particularly direct, digital & interactive and consumer insight.
- During 2011, 38 small and medium size acquisitions, and 10 investments, were completed in executing this strategy.
- Acquisitions in advertising used to address specific client or local agency needs.
- We continue to find opportunities at earnings enhancing multiples, particularly outside the USA in digital, and outside Brazil and China.





Key Priorities, Objectives and Strategy

Acquisitions During 2011

Faster Growing Markets

Quantitative & Digital

ARCAY (SOUTH AFRICA)
 C&G (Philippines)¹
 IMPACTASIA (CHINA)
 JWT China¹
 MIND RESOURCE (HONG KONG)
 Ogilvy South Africa¹
 XPR (SINGAPORE)
 YINDU (CHINA)

A4A (CHINA)
 CBC II (China)²
 f.biz (Brazil)
 Gringo (Brazil)
 INGAMEAD (CHINA)^{1,2}
 MINDSET (INDIA)
 Mindshare South Africa¹
 LEADING SMART (CHINA)^{1,2}
 LMRB (SRI LANKA)¹
 MIDAS MEDIA (CHINA)
 PROMO (RUSSIA)
 TNS OBOP (POLAND)¹
 TNS S. Africa¹
 TNS Russia¹
 Who (Vietnam)
 Y&R Brazil¹

Affectiva (USA)²
 BRILLIANT MEDIA (UK)
 Datacore (USA)¹
 Ecommerra (UK)²
 gkk (Germany)³
 Global Market Insite (USA)
 I-behavior (USA)¹
 Index Ventures(UK)²
 Jumptap (USA)^{1,2}
 Lightstorm (USA)²
 LUMI (UK, USA, FINLAND)²
 Lunchbox (USA)
 KR Media (France)¹
 M80 (USA)¹
 Mediawatch (Ireland)¹
 nPario (USA)
 PANACHE (USA)
 PXP (Austria)

Rockfish Interactive(USA)
 Spring und Pischke (Germany)
 SYZGY (GERMANY)¹
 TNS Infoplan (Japan)¹
 Vice (USA)²
 Visible Technologies (USA)¹



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

² Investment

³ Division of Commarco GmbH



Key Priorities, Objectives and Strategy

Other Acquisitions During 2011

Advertising

Chime (UK)¹

JMI (USA)

Scholz & Friends(Germany)²

St. John & Partners (USA)

Y&R France¹

Public Relations & Public Affairs

GLOVER PARK (USA)

Quill (UK)



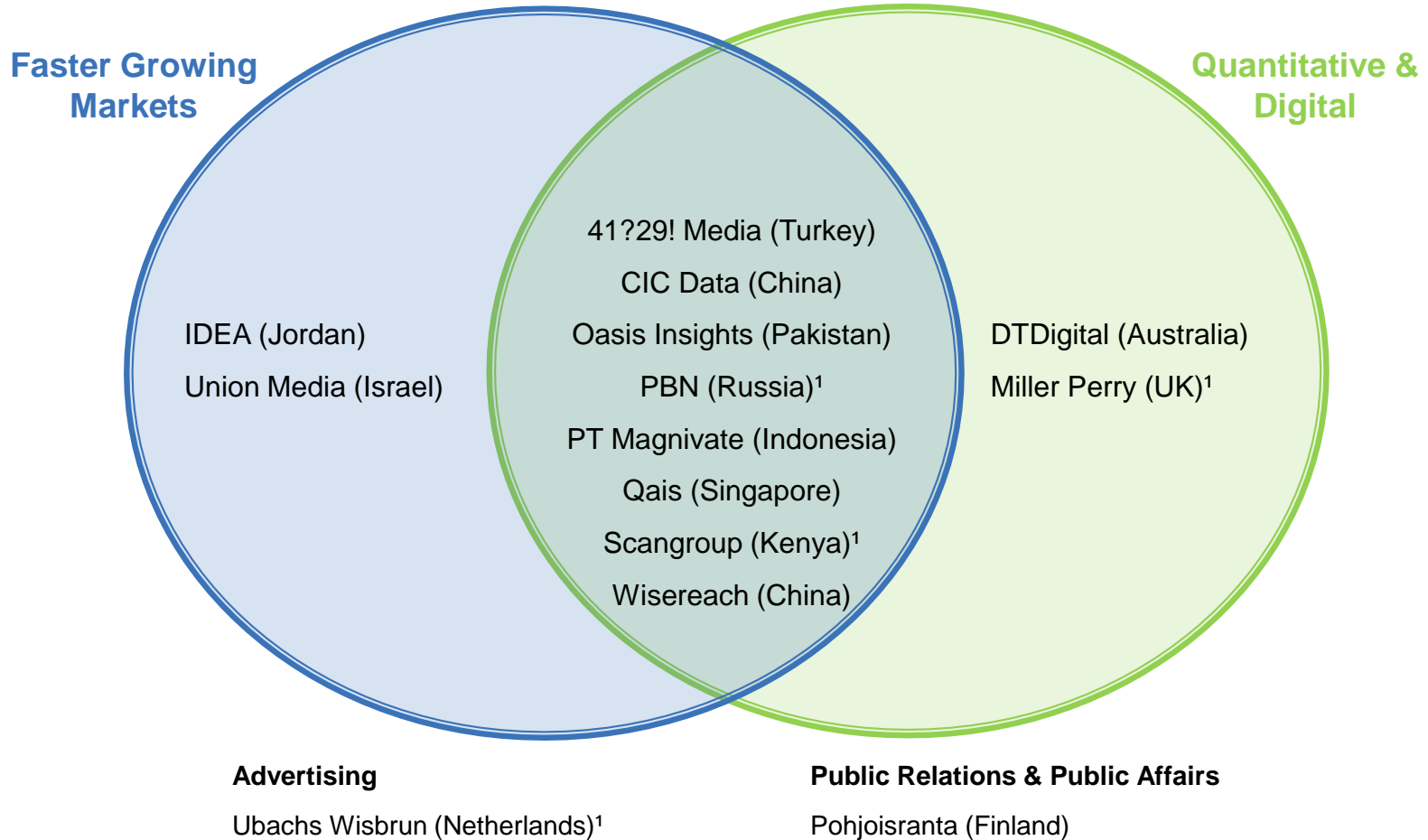
¹ Step-ups in associates and subsidiaries' equity

² Division of Commarco GmbH



Key Priorities, Objectives and Strategy

Acquisitions Since 1 January 2012



¹ Step-ups in associates and subsidiaries' equity



Key Priorities, Objectives and Strategy

Improving the Creative Capabilities and Reputation of all Our Businesses

- By placing greater emphasis on recruitment.
- By recognising creative success tangibly and intangibly.
- By acquiring highly regarded creative businesses.
- By placing greater emphasis on awards.
- First ever award of a Cannes Lion for creativity to a holding company.

Cannes Awards 2011	Points	Points per \$bn revenue ¹
WPP	1,219	102
OMC	1,152	83
Publicis	744	92



¹ Excludes Consumer Insight revenue



3 Conclusions





Conclusions

2011 Summary

- Strong like-for-like gross margin growth of 5.9% and revenue growth of 5.3% in a difficult year, ahead of 2011 budget.
- Double digit growth in faster growing markets and acceleration in the UK, partly offset by slower second half growth in the US.
- Advertising and Media Investment Management and Direct, Digital & Interactive sectors delivered above average growth.
- Group margins up 1.1 margin points as a result of good cost control, whilst investing in staff.
- Strong cash flow reinvested in acquisitions which delivered an additional 3% of revenue and also supported a 38% increase in dividend.





Conclusions

Outlook

- The Group budgets indicate 4% revenue growth for 2012 with continued strong growth in faster growing markets and with slower growth in mature markets. January 2012 in line with budget at 4%.
- Impact of strong new business wins and progress in Consumer Insight, although euro crisis still a nagging worry.
- Our 2012 margin target, in line with long-term strategy, is for at least 0.5 margin points improvement.
- We will use our substantial cash flow to enhance earnings through small and medium size acquisitions (estimate £300m to £400m), dividend increases and share buy-backs.
- Our goal is to deliver our financial model target of 10% to 15% EPS growth through organic revenue growth up to 5%, margin improvement of 0.5 margin points or more and use of our cash flow.
- Dividend pay-out ratio increasing to 40% over time.





Conclusions

- As our 2011 results show, the Group is well placed to benefit from regional and discipline trends, particularly if mature markets show continued slow growth.
- The investment in digital tools and infrastructure will enable the Group to optimise client campaigns and build unique advantage and differentiation.
- We are strong believers in the relevance of data analytics and application of technology for clients and a strengthening of Consumer Insight would give a boost to the overall growth rate.
- With the quadrennial events of 2012, the Group is well placed to meet its goals for the year and continue progress on the strategic goals in new markets, new media and consumer insights.





4 Other Financial Information (Hard Copy Only)





Results for 2011

Ordinary Shares - Basic

	December 2011 Actual	December 2010 Actual	
No. of Shares (million)			
1 January	1,264	1,256	
Share cancellations	(7)	-	
Option exercise	6	8	
Scrip dividend	3	-	
31 December	1,266	1,264	0.2%
Weighted Average	1,267	1,259	
ESOP, Treasury & Other	(24)	(26)	
Average Basic	1,243	1,233	0.8%





Results for 2011

Ordinary Shares – Diluted

	December 2011 Actual	December 2010 Actual	
No. of Shares (million)			
Average Basic	1,243	1,233	
Share Option Dilution	4	7	
Other Potentially Issuable Shares	18	22	
Sub-Total	1,265	1,262	0.2%
Convertibles: £450m 5.75% bond	77	77	
Diluted Shares	1,342	1,339	0.2%





Results for 2011

Pensions Deficit

£m	2011	2010
Deficit B/F	(242)	(252)
Service cost	(24)	(23)
Deficit interest charge	(44)	(46)
Funding	67	53
Investment returns	27	63
Change in valuation assumptions ¹	(66)	(32)
Other movements	(1)	(1)
Movements in the year excluding FX	(41)	14
Foreign exchange impact	1	(4)
Deficit C/F	(282)	(242)

¹ Primarily from lower discount rates



Results for 2011

Earnout Accrual

2011 Rollforward	£m	Expected Payments	£m
31 December 2010	275	2012	97
Earnouts paid	(150)	2013	32
New acquisitions	81	2014	25
Revised estimates taken to goodwill	26	2015	18
Revaluations of payments	6	2016	29
Increase excluding FX	238	2017+	33
Foreign exchange impact	(4)	Total	234
31 December 2011	234		



Results for 2011

Debt Maturity Profile £m

As at 31 December 2011	Total Credit	Total Drawn	2012	2013	2014	2015	2016	2017	2018+
US bond \$812m (4.75% '21)	524	524							524
£ bonds £200m (6.375% '20)	200	200							200
£ bonds £400m (6% '17)	400	400						400	
Bank revolver ¹ (\$1,050m and £375m)	1,052	79					79		
Eurobonds €750m (6.625% '16)	627	627					627		
Eurobonds €500m (5.25% '15)	418	418				418			
£ convertible £450m (5.75% '14)	450	450			450				
US bond \$600m (8% '14)	387	387			387				
US bond \$369m (5.875% '14)	238	238			238				
Eurobonds €600m (4.375% '13)	501	501		501					
TNS notes retained ¹ \$55m	35	35	19		16				
Debt facilities	4,832	3,859	19	501	1,091	418	706	400	724
Net cash, overdrafts and other adjustments		(1,394)							
Net debt		2,465							

¹ These instruments are subject to financial covenants



Key Priorities, Objectives and Strategy

Using Free Cash Flow to Enhance Share Owner Value

Dividends and Share Repurchases

2011 second interim dividend increased by 45.0% to 17.14p per share (2010 - 11.82p). Distributions to share owners:

Share Repurchases

	Dividends Paid	Amount	% of Share Base
2003	£67.0m	£23.1m	0.5%
2004	£81.7m	£88.7m	1.4%
2005	£100.2m	£152.3m	2.1%
2006	£118.9m	£257.7m	3.1%
2007	£138.9m	£415.4m	4.7% ¹
2008	£161.8m	£112.2m	1.6%
2009	£189.8m	£9.5m	0.2%
2010	£200.4m	£46.4m	0.5%
2011	£218.4m	£182.2m	2.1% ²

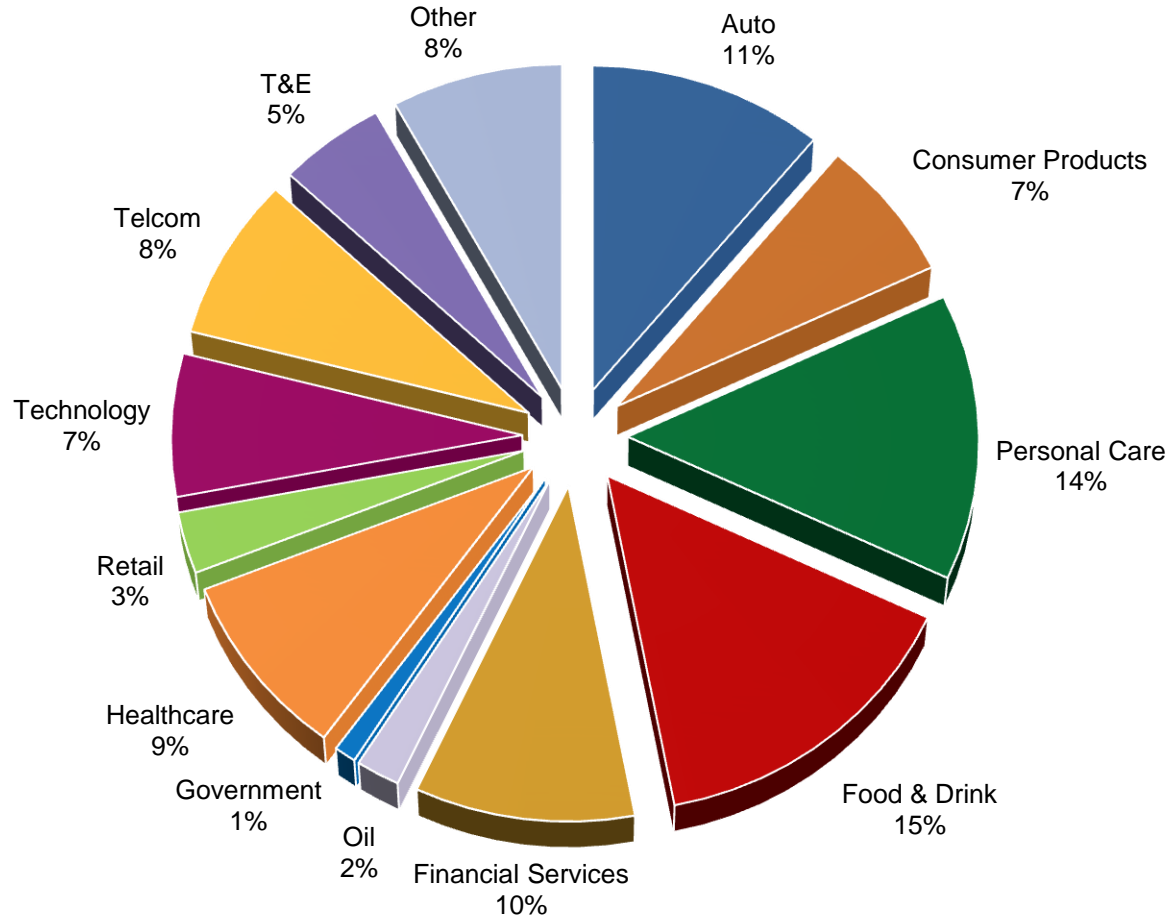
¹ Of which 4.6% relates to share cancellations

² Of which 0.6% relates to share cancellations



Results for 2011

Revenue by Industry



Charts represent 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 2011.





5 Structure and Competitive Position (Hard Copy Only)





WPP Today

- WPP is the world's largest communication services group with over 158,000 people (including associates) in over 2,500 offices in 107 countries worldwide.
- 344 of the Fortune Global 500, all 30 of the Dow Jones 30, 63 of the NASDAQ 100 and 33 of the Fortune e-50 as clients. 472 clients in all four disciplines and 359 clients in six or more countries.
- Quoted in London and on NASDAQ, with market capitalisation of around £10.2 billion.
- 33rd in FTSE 100 Index, 5th in FT Top 500 UK companies by turnover, 109th in Euro FT 300, 385th in S&P Global 1200 and 417th in Forbes Global 2000.
- The Group includes many of the best known brands in the industry.





WPP Today

WPP has many of the best known brands in the industry
Ranked 1 or 2 in all sectors in which it competes

Ogilvy & Mather Worldwide
JWT
Y&R Advertising
United
Grey

Mindshare
MEC
MediaCom
Maxus
Xaxis
tenthavenue
KR Media

Hill & Knowlton
Burson-Marsteller
Ogilvy Public Relations Worldwide
Cohn & Wolfe

TNS
Millward Brown
BrandAsset Valuator and BRANDZ

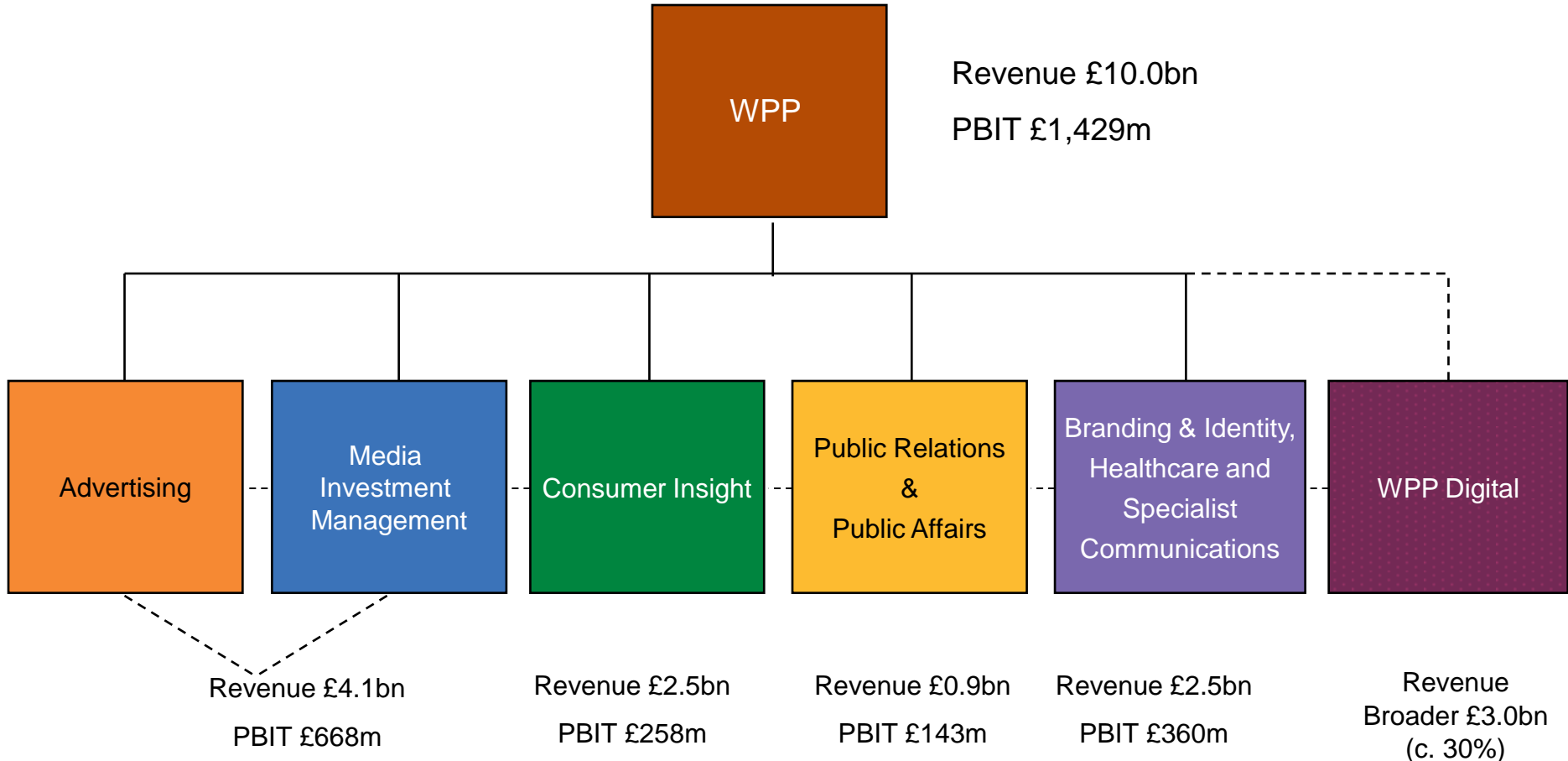
OgilvyOne
Wunderman
OgilvyAction
G2
24/7 Real Media
Possible Worldwide

Ogilvy CommonHealth
Sudler & Hennessey
Grey Healthcare Group

The Brand Union
Landor Associates
FITCH



WPP Today

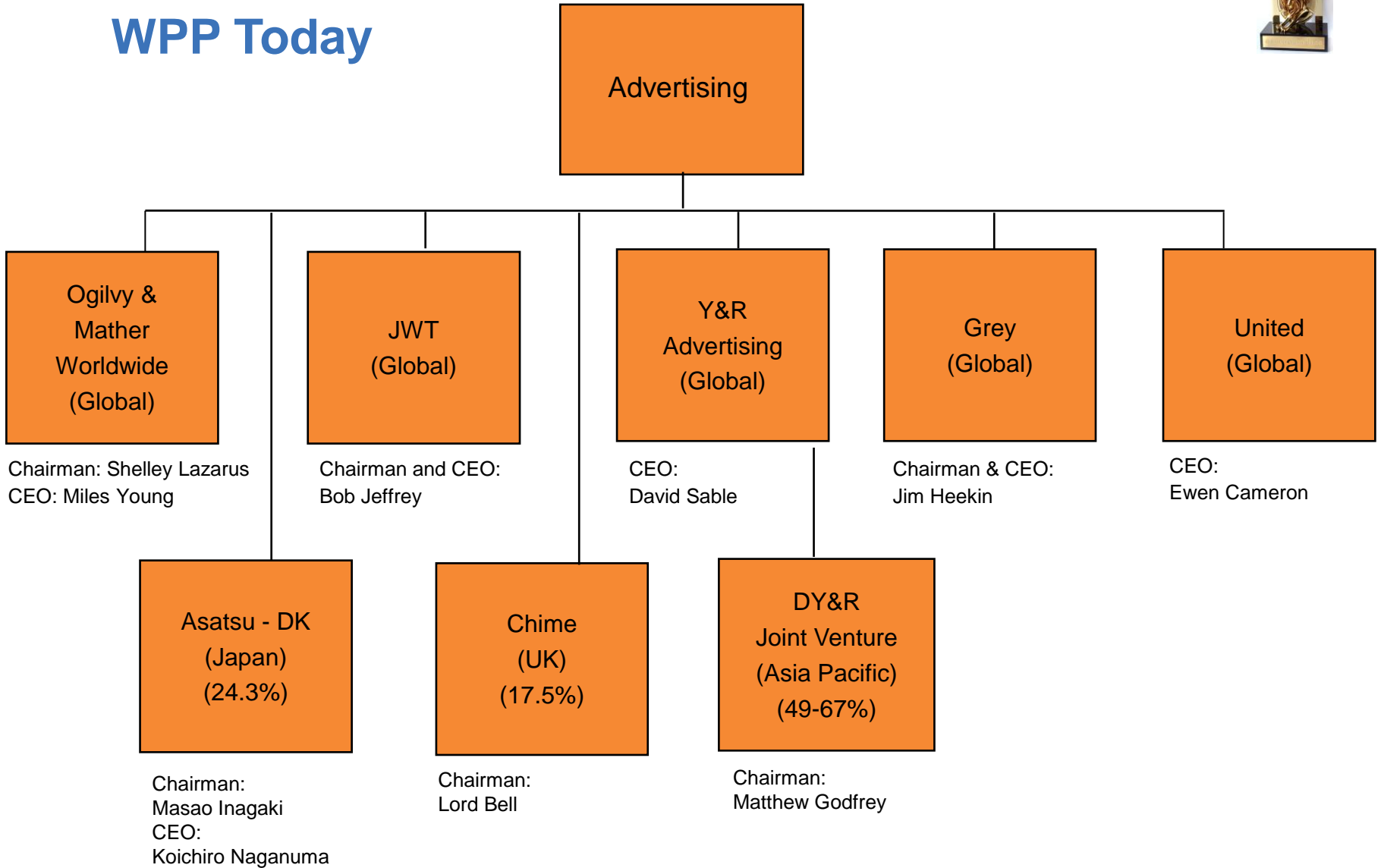


Revenue and PBIT figures are 2011 reported sterling actuals.

PBIT is stated before goodwill and intangibles charges, investment gains/losses and share of exceptional gains/losses of associates.



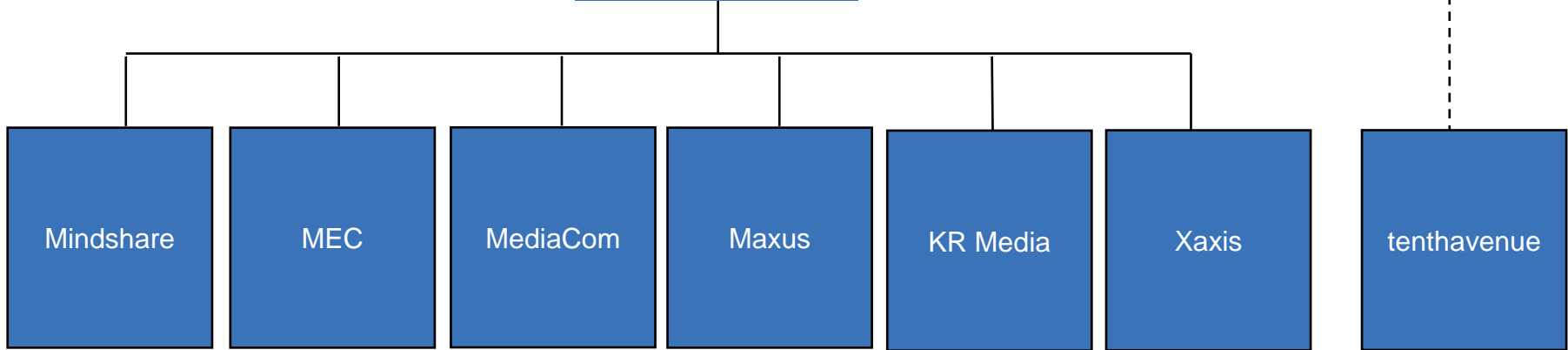
WPP Today



WPP Today

Media Investment Management: GroupM

Chairman: Irwin Gotlieb
President: Dominic Proctor



CEO:
Nick Emery

CEO:
Charles Courtier

CEO:
Stephen Allan

CEO:
Kelly Clark

Joint CEO:
Bruno Kemoun
Joint CEO:
Eryck Rebbouh

CEO:
Brian Lesser

CEO: Rupert Day





WPP Today

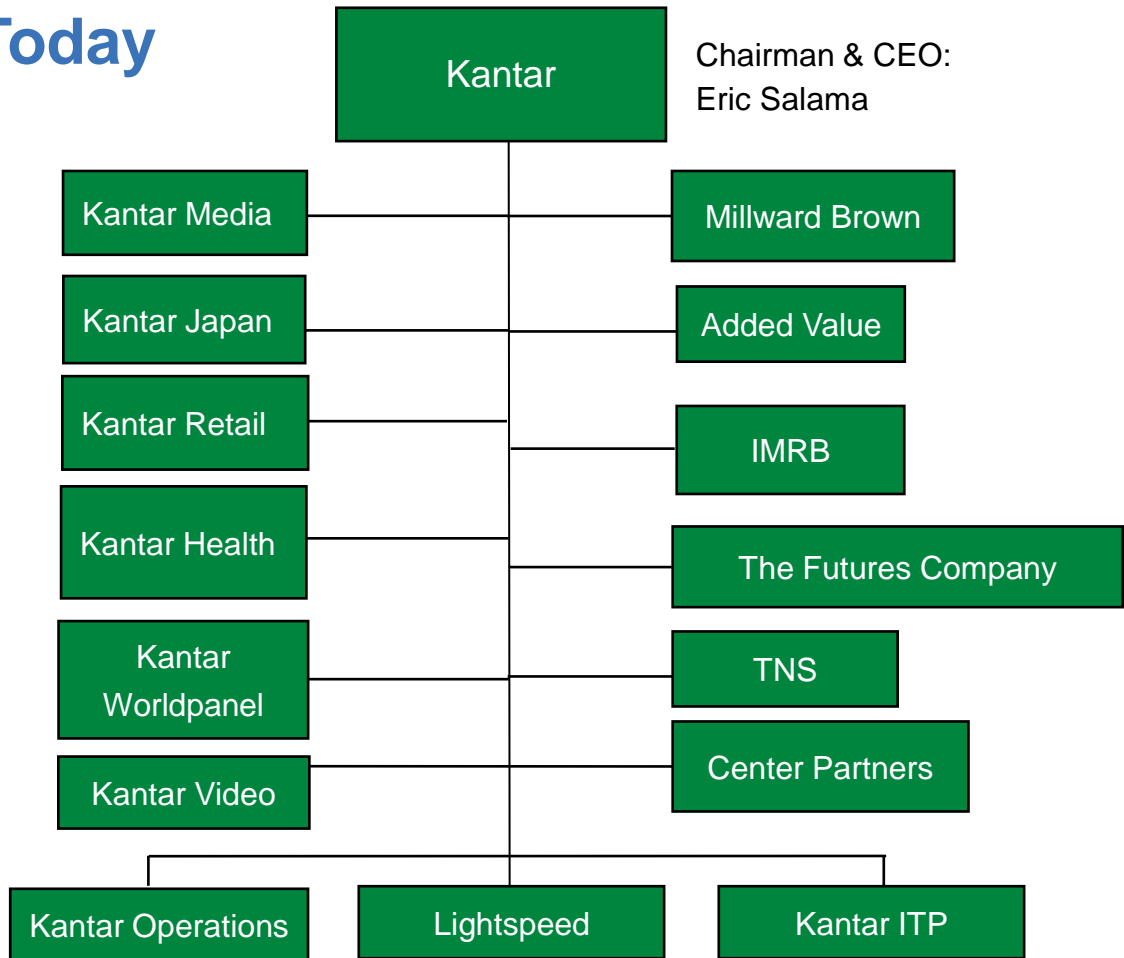
Media Investment Management - Competitive Worldwide Ranking

	Americas	EMEA	Asia Pacific	Worldwide
Mindshare	4	6	1	2
MEC	6	4	7	6
MediaCom	7	3	5	3
Maxus	12	14	9	14
GroupM	2	1	1	1

Source: RECMA June 2011 Billings Rankings report, based on 2010 data.



WPP Today





WPP Today

Consumer Insight – Worldwide Competitive Ranking

1. The Nielsen Company

2. Kantar

3. Ipsos (including synovate)

4. IMS

5. GfK

6. SymphonyIRI

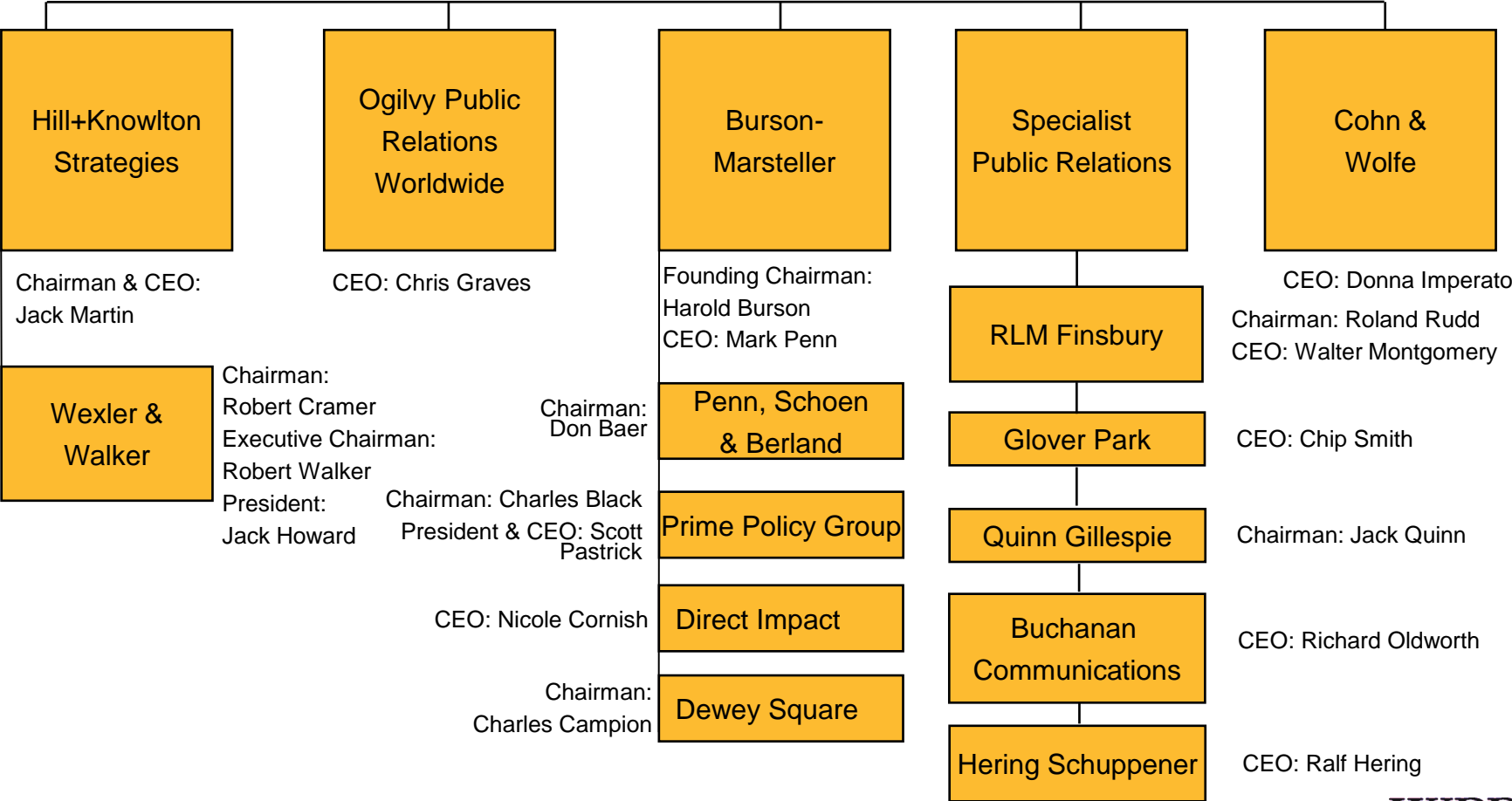
7. Westat

Source: ESOMAR 2011 ranking published Sept 2011, adjusted for Ipsos acquisition of synovate

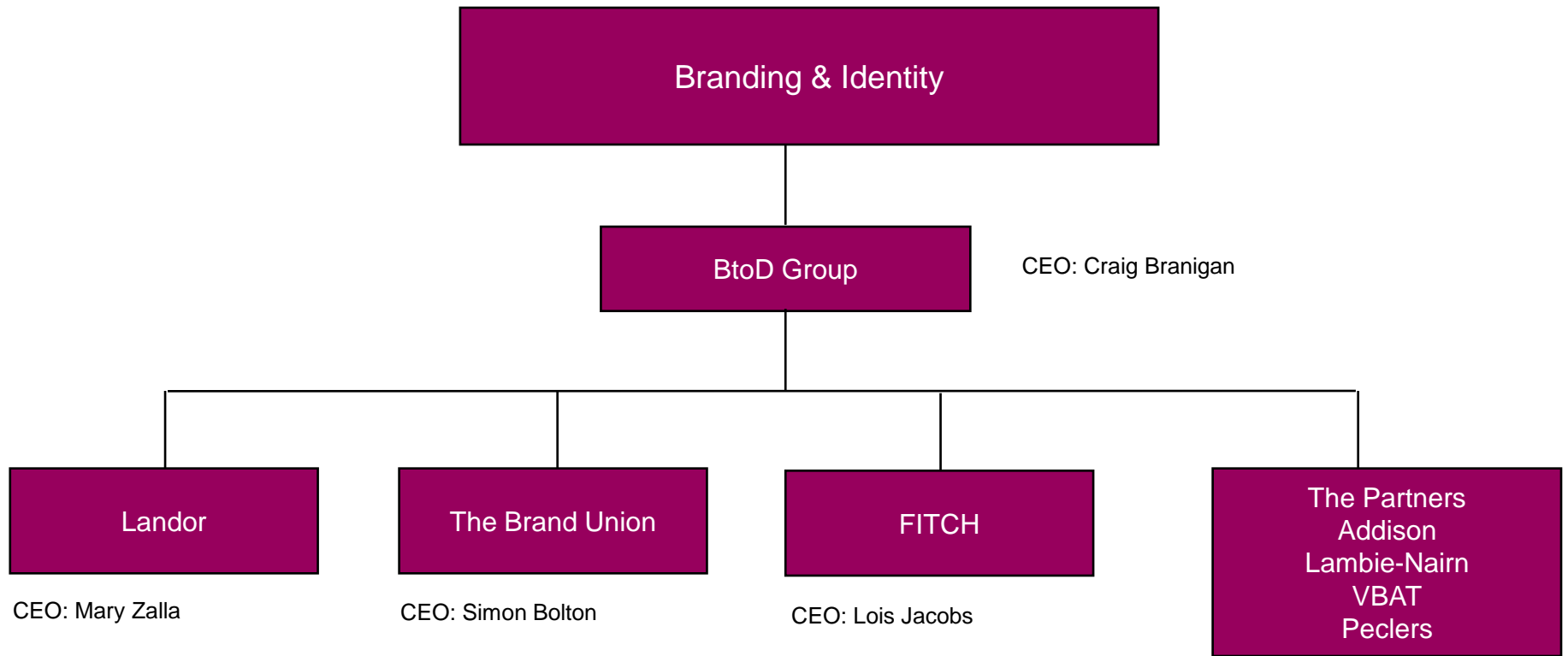
WPP Today



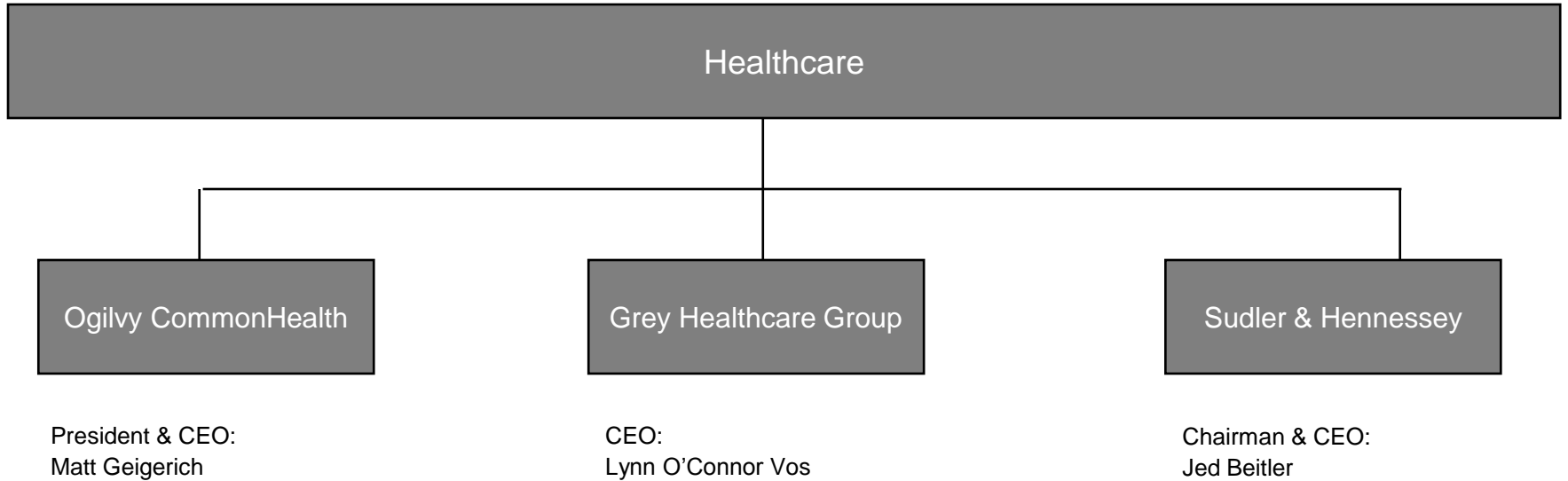
Public Relations & Public Affairs



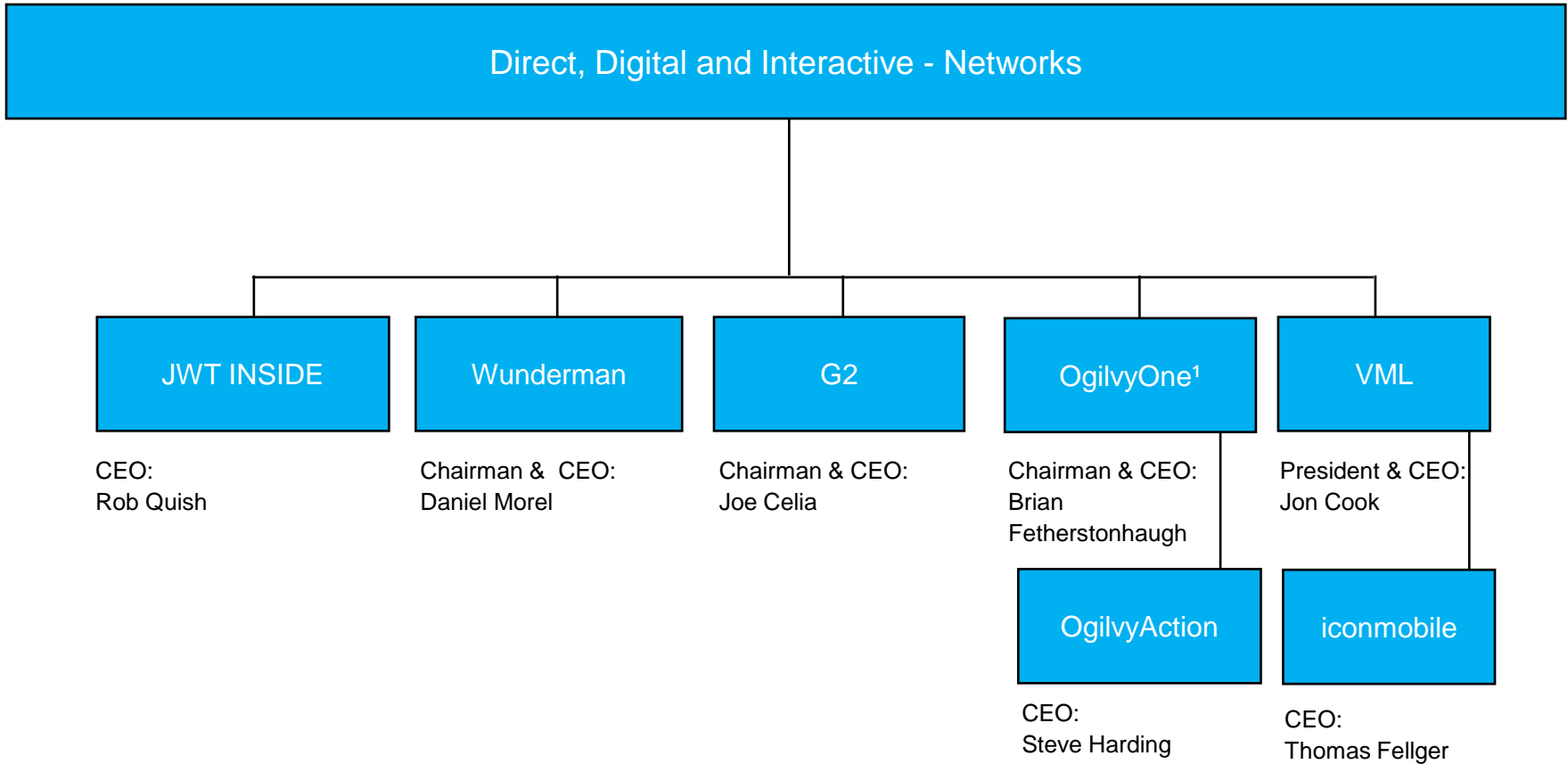
WPP Today



WPP Today



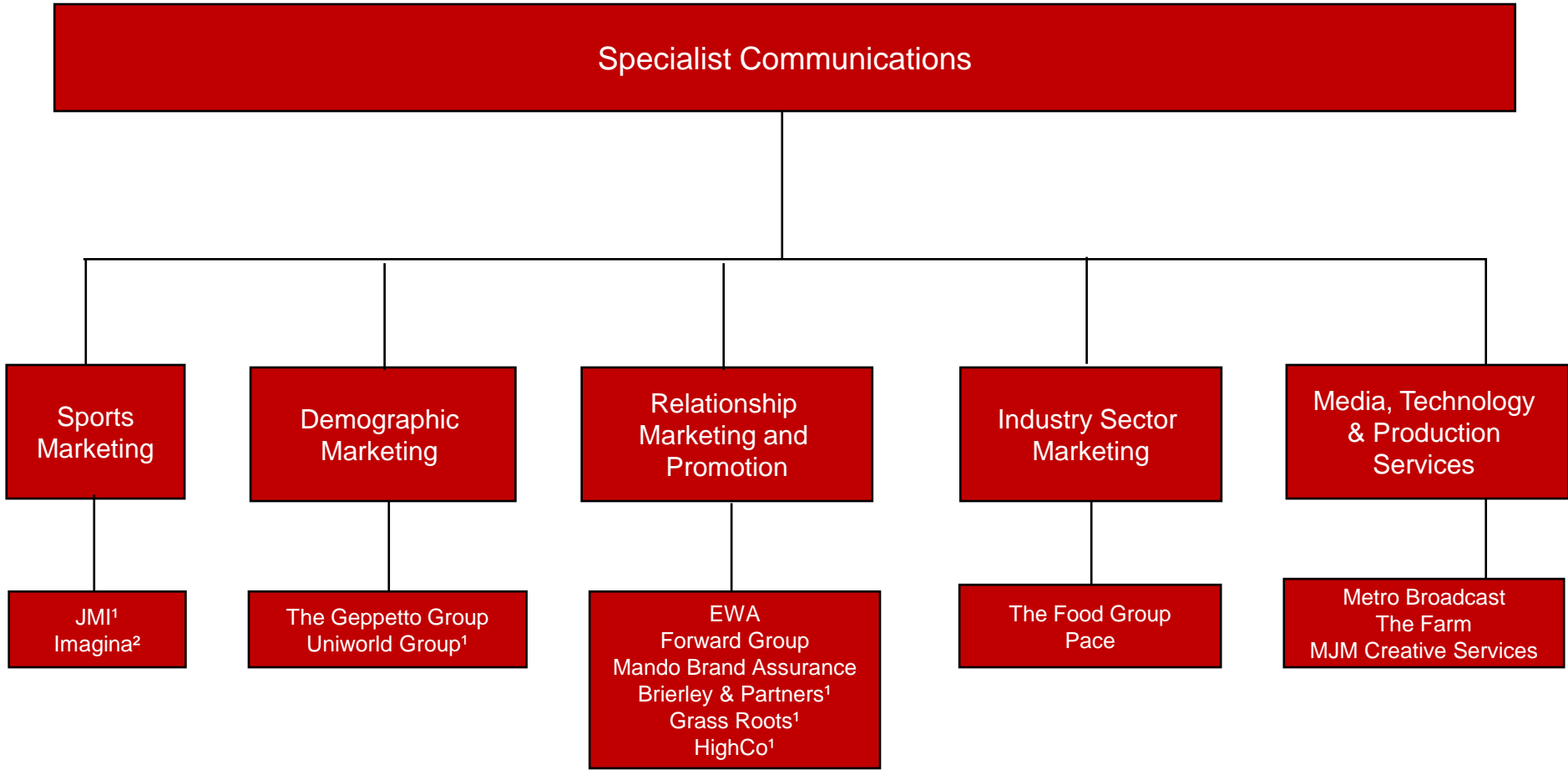
WPP Today



¹ Includes Neo@Ogilvy



WPP Today



¹ Associate company

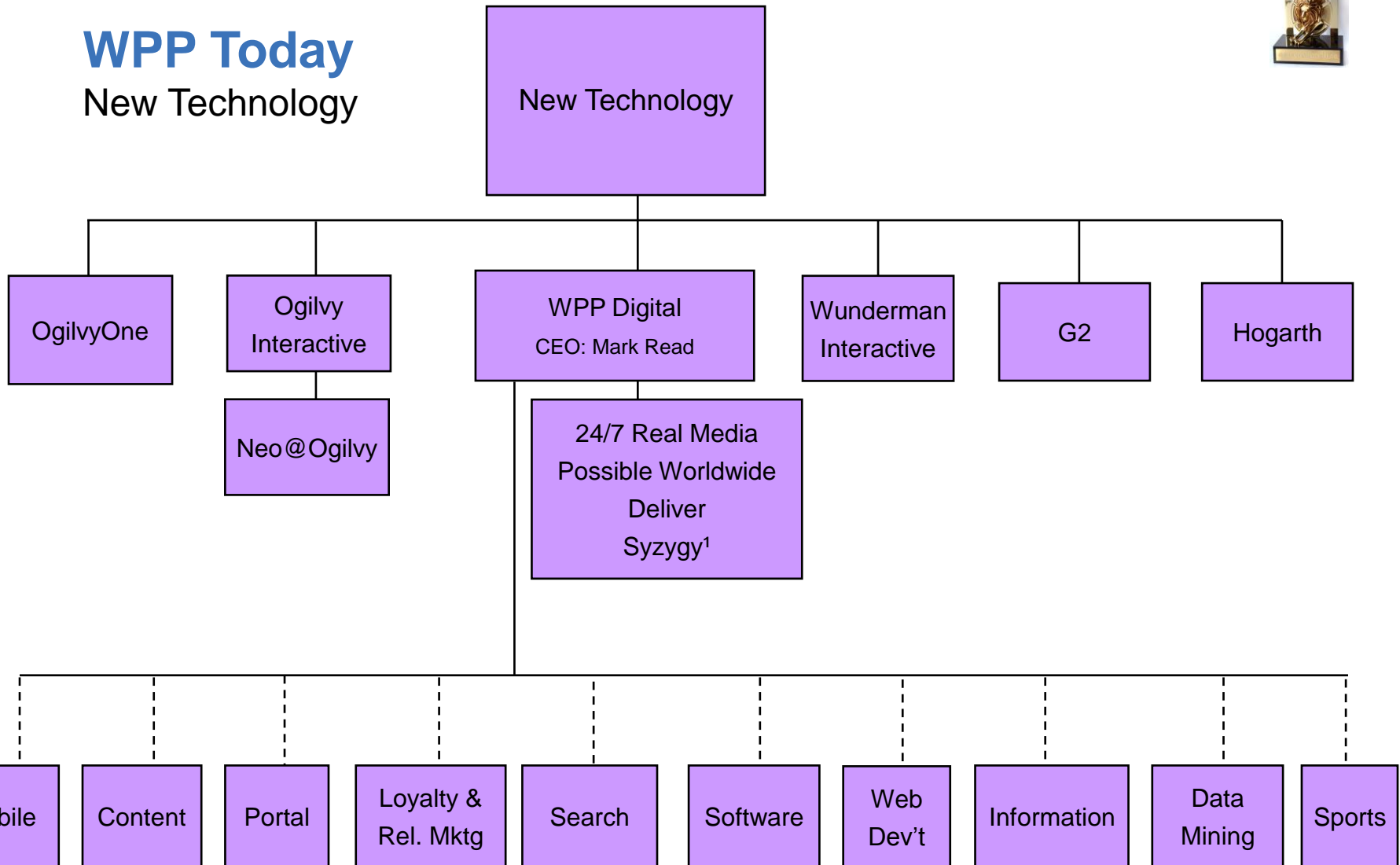
² Investment





WPP Today

New Technology



¹ Associate company.





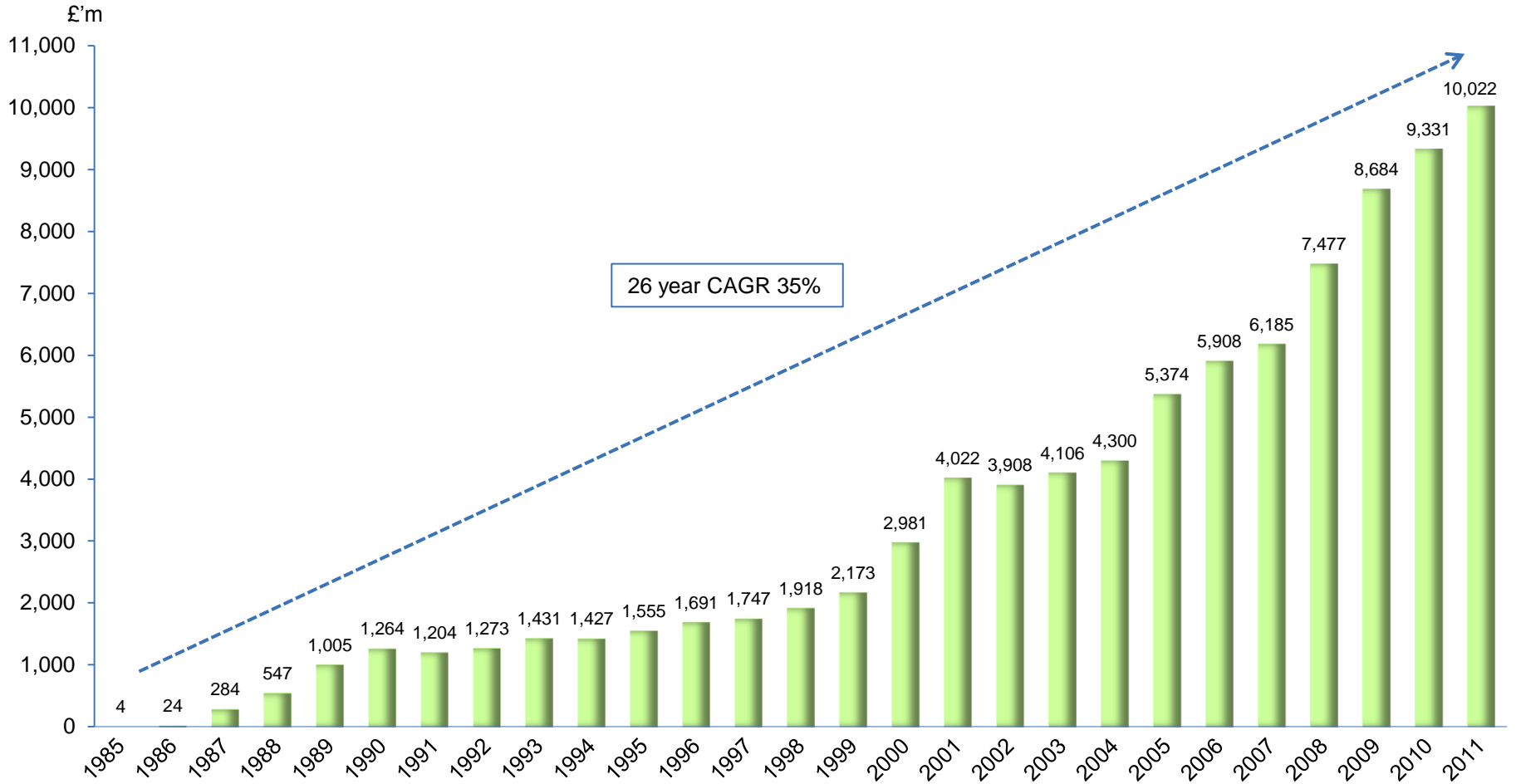
6 26 Year History (Hard Copy Only)





26 Year History

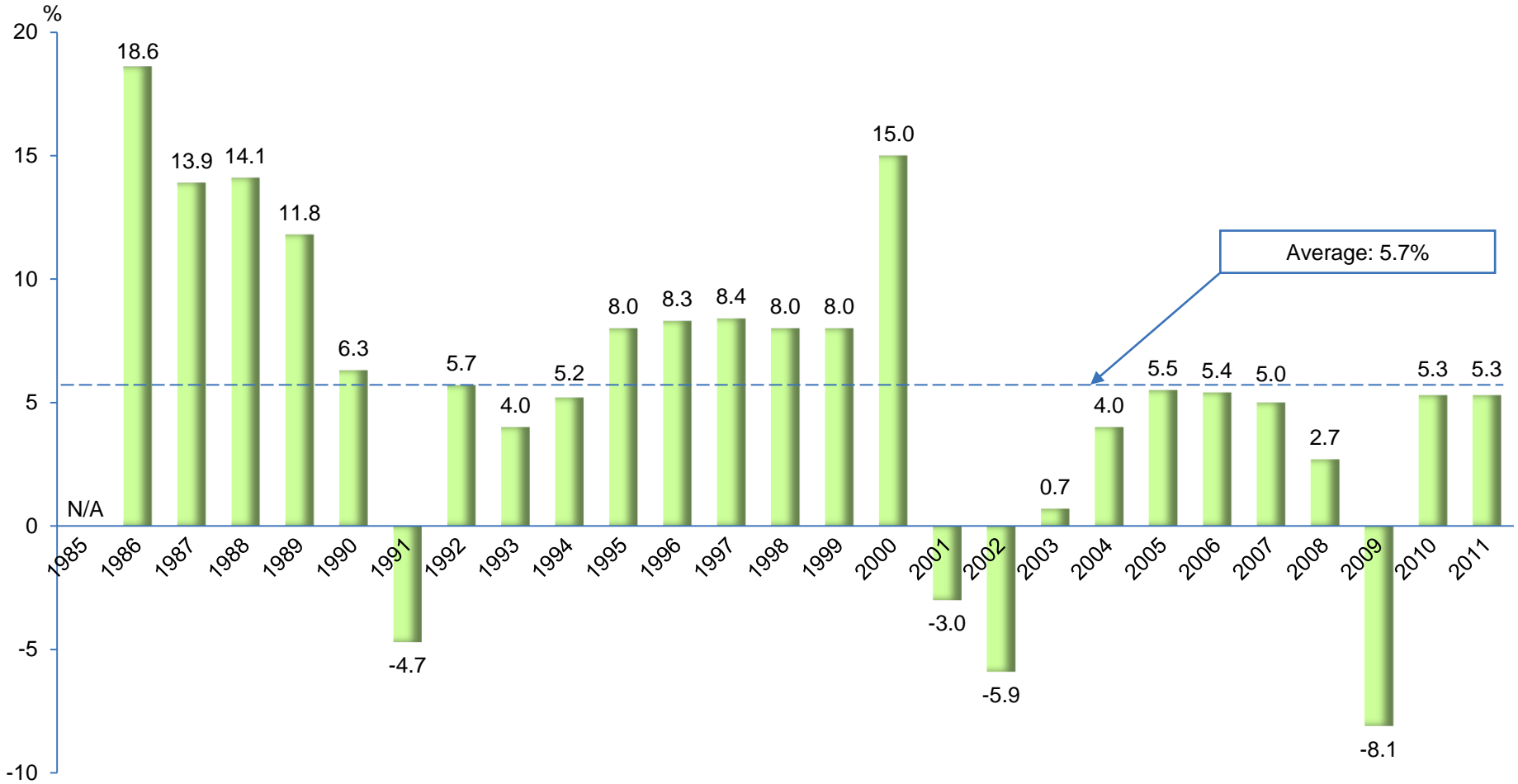
WPP Reported Revenue





26 Year History

WPP Organic Growth



Average: 5.7%

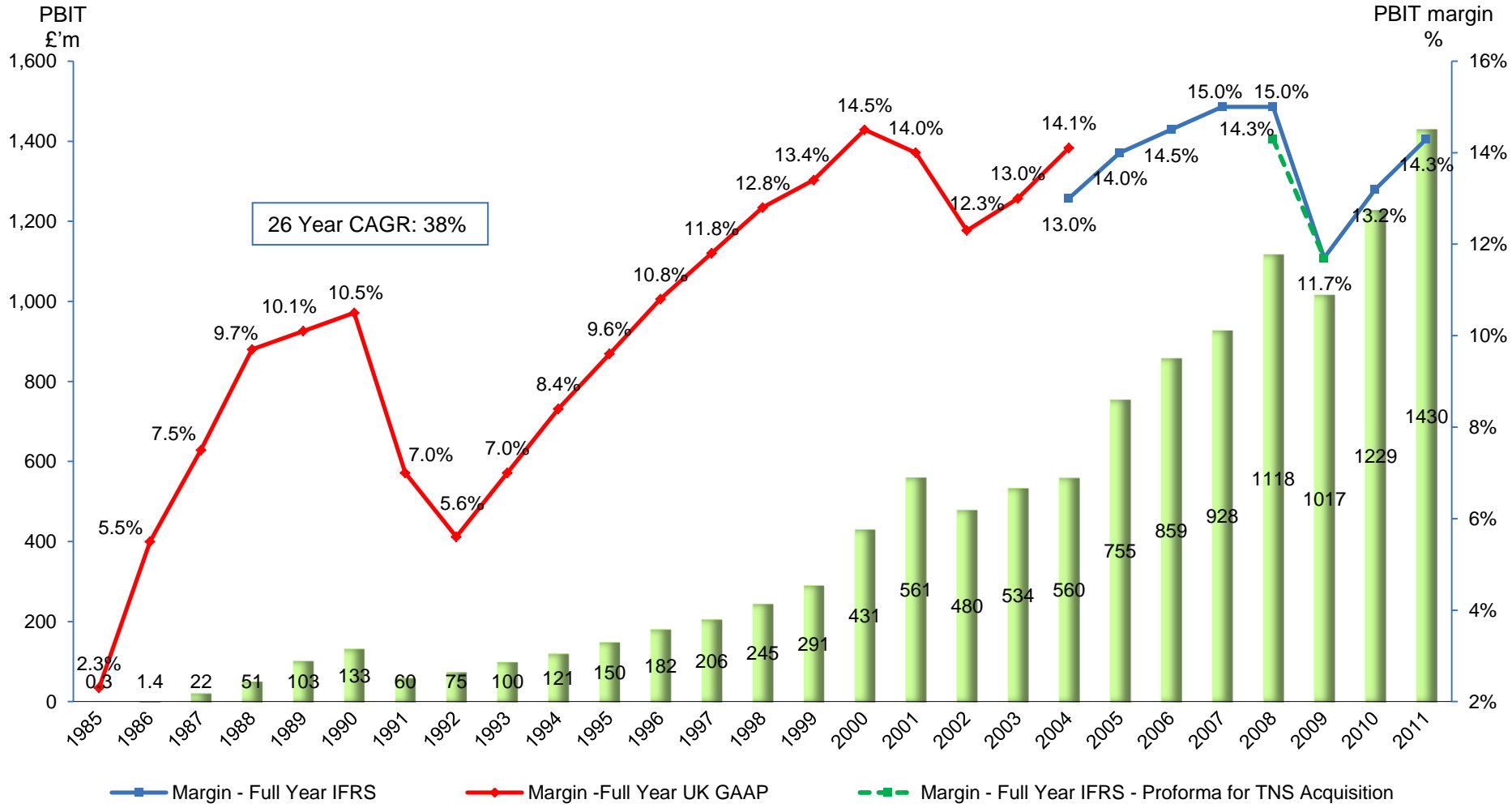


Note: Estimates for 1985-1990



26 Year History

WPP PBIT and Margins



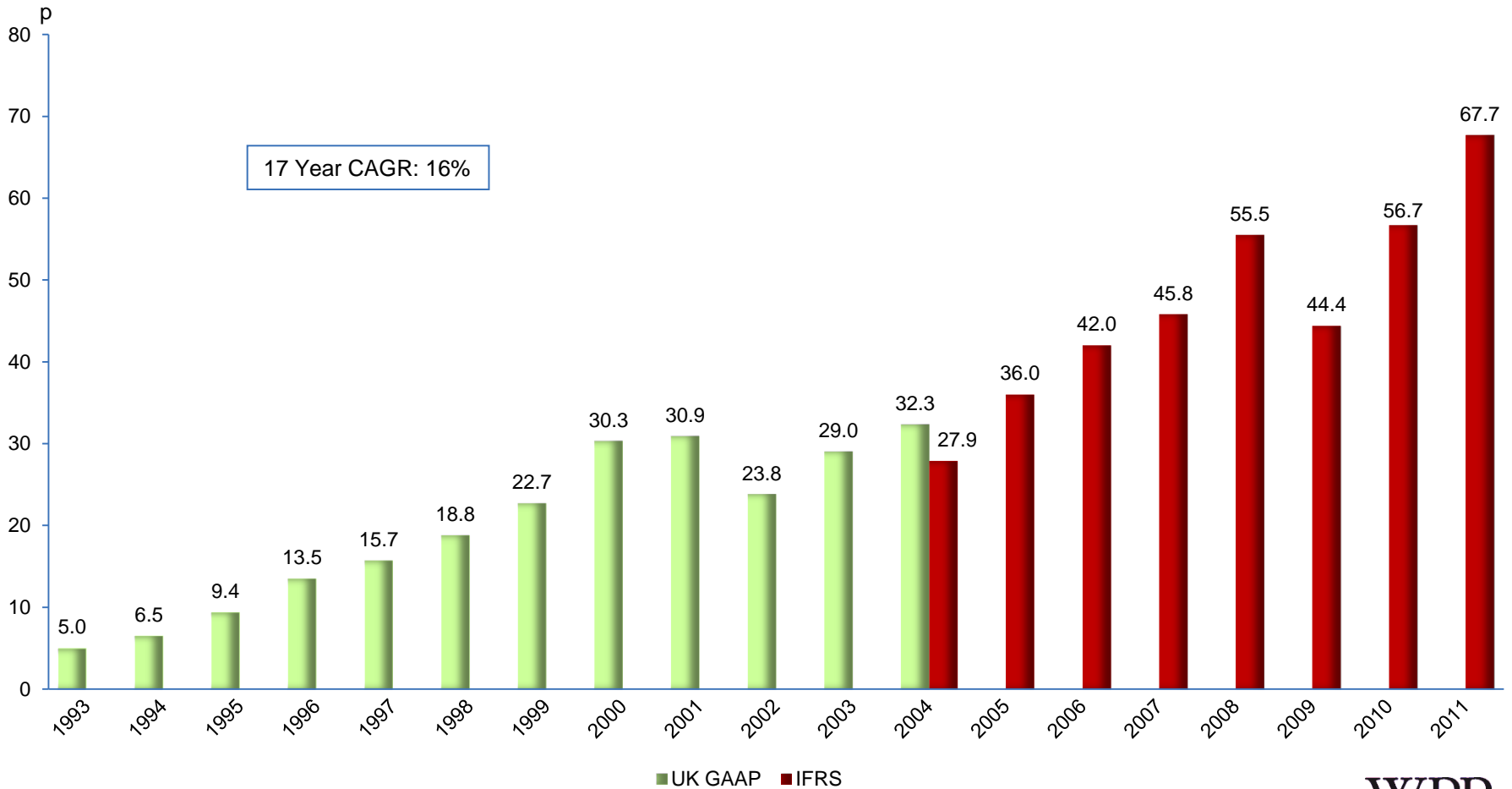
Note: Headline PBIT includes associates and excludes goodwill and intangible charges, investment gains/losses, and share of exceptional gains/losses of associates. For 2004 onwards, headline PBIT has been prepared under IFRS. 2003 and prior periods are in accordance with previous UK GAAP.

WPP



History

WPP Headline Diluted EPS Post 1992 Rights Issue



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

WPP



WPP

Results for 2011

London

