

WPP

Results for 2010

London

March 2011



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1 Results for 2010



Results for 2010

- Billings up 12.6% to £42.7 billion.
- Reported revenue up 7.4%. On a constant currency basis, revenue up 5.6%. Like-for-like revenue up 5.3%.
- Headline operating margin of 13.2%, with 15.8% in second half, 0.4 margin points above the second half pro-forma margin for 2008 and 2009.
- On gross margin (revenue less direct costs), headline operating margin was 14.4%, up 1.7 margin points.
- Diluted headline EPS up 27.7% to 56.7p, above 2008 EPS of 55.5p – a new high.
- Net new billings of £3.0bn (\$4.8bn) and leading in all 2010 New Business League Tables.



Results for 2010

Summary Headline¹ Results at a Glance (1)

Year to 31 December	2010 £m	2009 £m	Change %
Revenue	9,331.0	8,684.3	7.4
Gross Margin	8,560.5	7,980.7	7.3
Staff Costs pre Severance and Bonus	5,022.1	4,813.6	-4.3
Staff Costs	5,438.7	5,117.0	-6.3
Other Expenses	1,893.1	1,846.5	-2.5
Operating Profit pre Severance and Bonus	1,645.3	1,320.6	24.6
Operating Profit pre Bonus	1,571.0	1,195.1	31.5
Operating Profit	1,228.7	1,017.2	20.8
PBT	1,033.6	812.2	27.3
EBITDA	1,439.0	1,243.0	15.8

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



Results for 2010

Summary Headline¹ Results at a Glance (2)

Year to 31 December	2010	2009	Change %
Operating Profit Margin:			
% of Revenue	13.2%	11.7%	+1.5 ²
% of Gross Margin	14.4%	12.7%	+1.7 ²
Diluted EPS pence per share	56.7p	44.4p	27.7
Average Net Debt £m	(3,056)	(3,448)	11.4
Average Net Debt / EBITDA	2.1x	2.8x	
Number of people³:			
Average	101,387	105,318	3.7
Closing	104,052	98,759	-5.4

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 2009 and 2010 actual number of people.

Results for 2010

Unaudited IFRS Income Statement

Year to 31 December	2010 £m	2009 £m	Change %	Constant Currency %
Revenue	9,331.0	8,684.3	7.4	5.6
Operating Profit pre-goodwill / intangibles	1,173.2	958.6	22.4	18.8
Goodwill / intangibles charges, FA gains / losses	(200.2)	(196.9)	-1.7	-1.7
Operating Profit	973.0	761.7	27.7	23.2
Income from associates	55.2	57.0	-3.2	-13.9
PBIT	1,028.2	818.7	25.6	20.6
Net finance costs	(176.9)	(156.1)	-13.3	-15.1
Profit before tax	851.3	662.6	28.5	21.9
Tax	(190.3)	(155.7)	-22.2	-16.1
Profit after tax	661.0	506.9	30.4	23.7
Reported diluted EPS	45.9p	35.3p	30.0	23.2

Results for 2010

% Growth vs Prior Year

	Revenue	Headline ³ PBIT	Headline ³ EPS
Like-for-like	5.3	n/a	n/a
Acquisitions ⁴	0.3	n/a	n/a
Constant currency	5.6	16.8	22.5
Foreign exchange	1.8	4.0	5.2
Reportable sterling	7.4	20.8	27.7
Reportable US dollars¹	6.0	16.7	22.2
Reportable euros²	11.7	26.3	33.9

¹ Translated into US\$, using among other currencies, average exchange rates of US\$/£ for FY 2010 of \$1.546, compared to \$1.567 for FY 2009.

² Translated into Euros, using among other currencies, average exchange rates of €/£ for FY 2010 of €1.166, compared to €1.123 for FY 2009.

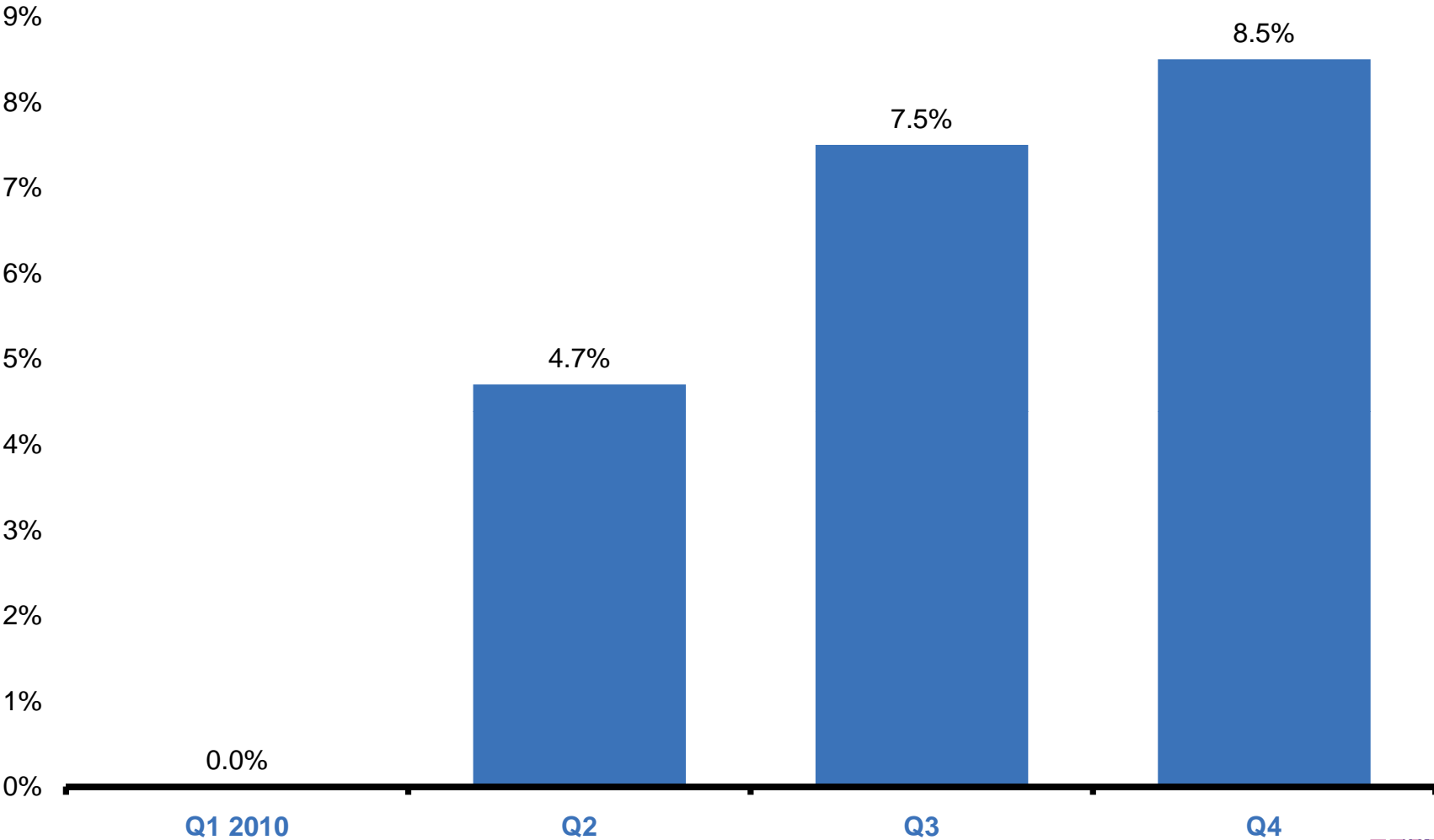
³ Figures before goodwill and intangibles charges, investment gains/losses, share of exceptional gains/losses of associates and revaluation of financial instruments.

⁴ Acquisitions net of disposals.



Results for 2010

2010 Organic Revenue Growth by Quarter



Results for 2010

Headline¹ Performance Versus Consensus

	Actual Results	Consensus Median	+/(-)
Revenue	£9,331m	£9,263m	£68m
PBIT	£1,229m	£1,220m	£9m
Net finance costs	£(195m)	£(195m)	-
PBT	£1,034m	£1,025m	£9m
Fully Diluted EPS	56.7p	56.4p	0.3p
PBIT Margin	13.2%	13.2%	-
Fully Diluted Shares	1,339m	1,305m	-34m

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

Results for 2010

Unaudited Headline¹ IFRS Income Statement

Year to 31 December	2010 £m	2009 £m	Change %	Constant Currency %
Revenue	9,331.0	8,684.3	7.4	5.6
Operating profit	1,173.2	958.6	22.4	18.8
Income from associates	55.5	58.6	-5.3	-15.4
PBIT	1,228.7	1,017.2	20.8	16.8
Net finance costs	(195.1)	(205.0)	4.8	3.9
Profit before tax	1,033.6	812.2	27.3	22.0
Tax at 22.0% (2009 23.8%)	(227.8)	(193.0)	-18.0	-13.1
Profit after tax	805.8	619.2	30.1	24.9
Diluted EPS	56.7p	44.4p	27.7	22.5
Operating margin	13.2%	11.7%	+1.5²	
EBITDA	1,439.0	1,243.0	15.8	12.3

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 2010

Operating Costs¹ Well Controlled

(like-for-like Sterling ² £'m)	2010	2009	% B/(W)
Revenue	9,331	8,861	5.3
Gross Margin	8,561	8,138	5.2
Staff Cost	5,439	5,210	(4.4)
<i>Staff Cost/ Revenue %</i>	<i>58.3%</i>	<i>58.8%</i>	
Establishment	659	701	6.0
<i>Establishment/ Revenue %</i>	<i>7.1%</i>	<i>7.9%</i>	
Other G&A	1,290	1,234	(4.5)
<i>Other G&A/ Revenue %</i>	<i>13.8%</i>	<i>13.9%</i>	
Total Operating Costs ¹	7,388	7,145	(3.4)

- Incentive charge of £342.3m (2009 - £177.9m) for the year or 3.7% of revenue, 1.7 margin points higher than in 2009.
- Severance cost of £74.3m (2009 - £125.5m) for the year.
- Pre-incentive margin up 3.0 margin points at 16.8%.

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

² Based on WPP proforma reporting – 2009 adjusted for acquisitions and FX.

Results for 2010

Revenue by Discipline

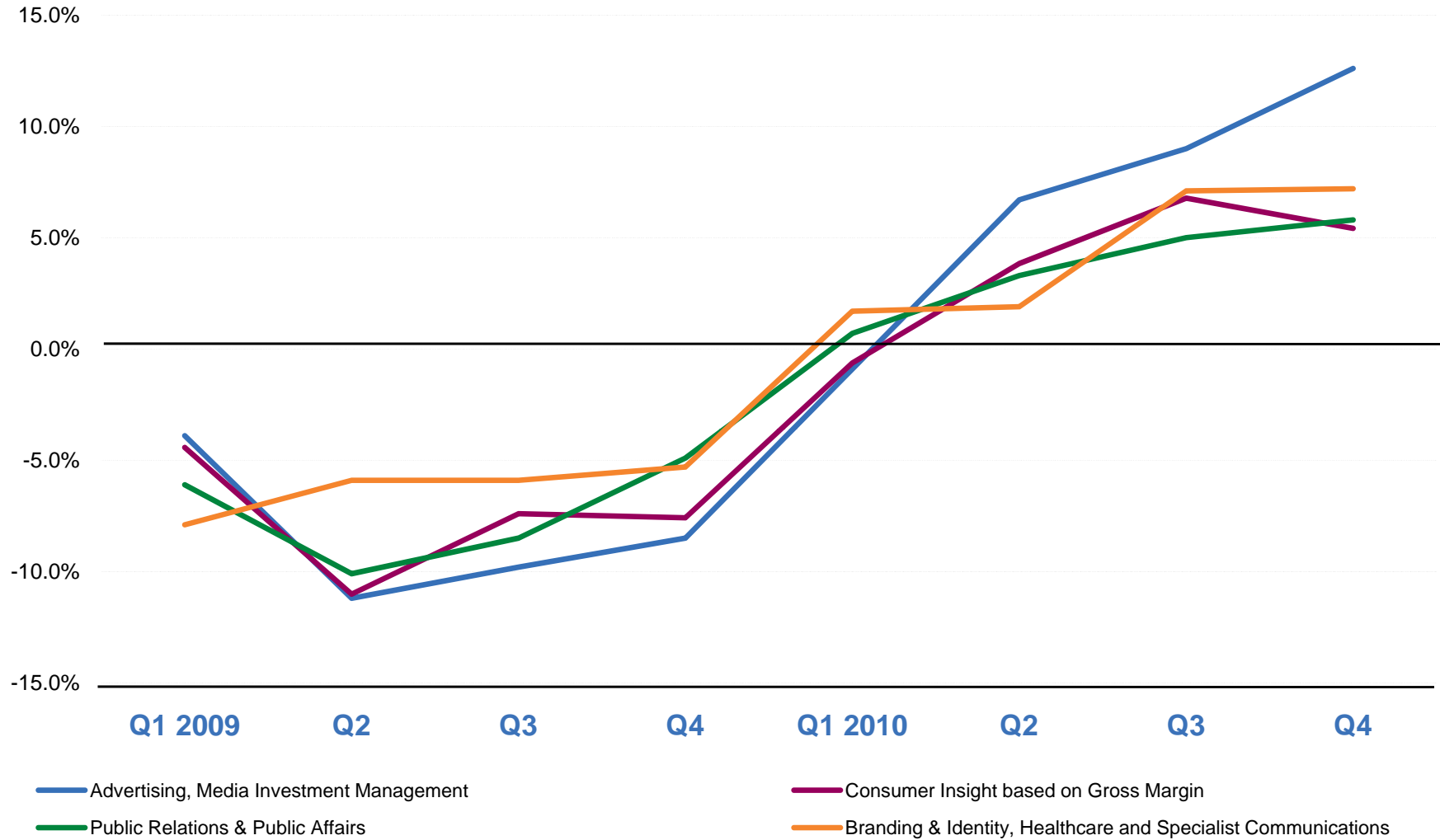
	2010 £m	2009 £m	% Change		
			Reported	Constant Currency	Like-for- like
Advertising, Media Investment Management	3,733.3	3,420.5 ¹	9.1	7.0	7.1
Consumer Insight	2,430.2	2,297.1	5.8	4.4	3.9
Public Relations & Public Affairs	844.5	795.7	6.1	4.3	3.7
Branding & Identity, Healthcare and Specialist Communications	2,323.0	2,171.0 ¹	7.0	5.0	4.5 ²
Total	9,331.0	8,684.3	7.4	5.6	5.3

¹ In 2010 some rmg revenues have been included within JWT's advertising business and so 2009 comparatives have been restated.

² Direct, digital & interactive growth of 11.6%.

Results for 2010

Organic Revenue Growth Trends by Discipline 2009-2010 Quarter by Quarter



Results for 2010

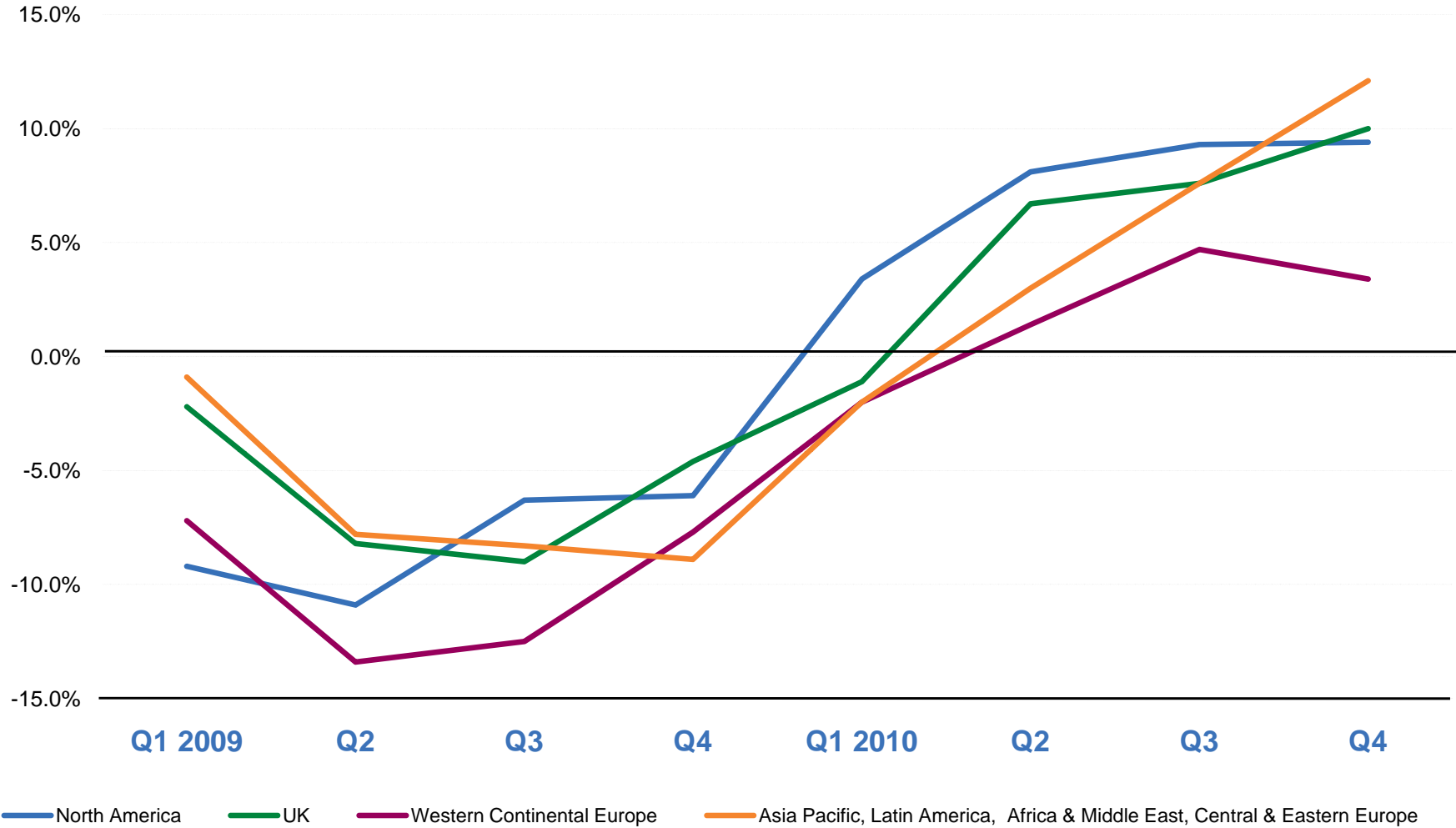
Revenue by Region

	2010 £m	2009 £m	% Change		
			Reported	Constant Currency	Like-for- like
North America	3,299.8	3,010.0	9.6	7.7	7.6
UK	1,087.6	1,029.0	5.7	5.7	5.9
Western Continental Europe	2,325.3	2,327.8	-0.1	2.7	1.9
Asia Pacific, Latin America, Africa & Middle East, Central & Eastern Europe	2,618.3	2,317.5	13.0	5.6	5.6
Total	9,331.0	8,684.3	7.4	5.6	5.3



Results for 2010

Organic Revenue Growth Trends by Region 2009-2010 Quarter by Quarter



Results for 2010

Headline PBIT¹ and Margin¹ by Discipline

	Headline PBIT		Headline Margin	
	2010 £m	2009 £m	2010 %	2009 %
Advertising, Media Investment Management	573.0	472.8	15.3	13.8
Consumer Insight	234.8	196.9	9.7 ²	8.6 ²
Public Relations & Public Affairs	133.1	122.1	15.8	15.3
Branding & Identity, Healthcare and Specialist Communications	287.8	225.4	12.4	10.4
Total	1,228.7	1,017.2	13.2	11.7

¹ Headline PBIT/margin: profit before 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 Gross margin margins of 13.2% for 2010 and 11.7% for 2009.



Results for 2010

Headline PBIT¹ and Margin¹ by Region

	Headline PBIT		Headline Margin	
	2010 £m	2009 £m	2010 %	2009 %
North America	484.6	397.9	14.7	13.2
UK	147.9	131.5	13.6	12.8
Western Continental Europe	221.6	193.4	9.5	8.3
Asia Pacific, Africa & Middle East, Central & Eastern Europe	374.6	294.4	14.3	12.7
Total	1,228.7	1,017.2	13.2	11.7

¹ Headline PBIT/margin: profit before finance income/costs and revaluation of financial instruments, taxation, goodwill and intangibles charges, investment gains/losses and share of exceptional gains/losses of associates.



Results for 2010

Revenue Growth by Country

Revenue Growth¹ Countries

>15%

Argentina², Mainland China

10% to 15%

Brazil², Russia, India, Greater China

5% to 10%

Germany, Italy, Poland, Singapore, UK, USA

<5%

Australia, Belgium, Canada, Denmark, France, Japan, Mexico, Netherlands, Spain, Sweden

¹ Like-for-like growth

² Continuing operations



Results for 2010

Revenue Growth by Category

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

¹ Like-for-like growth



Results for 2010

Effects of Sterling Weakness

- Currency movements accounted for a 1.8% increase in revenue, largely reflecting the weakness of the £ sterling against most currencies other than the euro.
- Sterling weaker on average as follows:

	2010	2009	Sterling weaker/ (stronger)
US\$	1.546	1.567	1%
€	1.166	1.123	(4%)
¥	135.4	146.4	8%

- Headline PBT¹ of £1,034m would have been £991m had sterling remained at the same levels as 2009.
- At current exchange rates revenue would be reduced by 2%.

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

Results for 2010

Trade Estimates of Major New Business Wins

Agency	Incumbent	Account	Office	Billings (\$m)
Mindshare	PUB	L'Oreal	China	1,000
GroupM	IPG/OMC	Bayer	Worldwide	600
M4C	AGS/PUB/Ind	COI	UK	375
Grey	Ind	Sony Bravia	Worldwide	300
Ogilvy	VCCP ¹ / Other	Coke Zero	Worldwide	300
Team Mazda	Ind	Mazda	USA, Canada, Mexico	250
GroupM	AGS	Wind Telecom	Italy	230
Grey	IPG	Direct TV	USA	200
Team Bayer	Various	Bayer	Worldwide	200
MEC	OMC	Amway Artistry	China	200
MEC	IPG	Bacardi	Worldwide	200
MediaCom	PUB	AB InBev	China	190
Mindshare	IPG	L'Oreal	Mexico	179
JWT	OMC	BMW	France	154

Shaded figures are Q4 wins

¹ VCCP is owned by Chime, a WPP associate



Results for 2010

Trade Estimates of Major New Business Wins

Agency	Incumbent	Account	Office	Billings (\$m)
Mindshare	IPG	CVS	USA	150
Mindshare	AGS	Radio Shack	USA	150
Ogilvy	PUB	IHG	Worldwide	120
Maxus	PUB	BT	UK	120
MediaCom	AGS	EA Games	Europe	115
Grey	Ind	Red Lobster	USA	115
Mindshare	AGS/PUB	Kraft Cadbury	SE Asia	100
Mindshare	OMC	21 st Century Insurance	USA	100
MediaCom	AGS	Revlon	USA	100
MediaCom	PUB	Travelers	USA	100
Maxus	AGS	Alberto Culver	USA	100
Grey	Ogilvy	GSK	Worldwide	100
Ogilvy	IPG	Ikea	USA	90
JWT	Rediffusion Y&R ¹	Bharti Airtel	India	80
Brand Union	PUB	Bharti Airtel	Africa	70

Shaded figures are Q4 wins
¹ WPP Associate



Results for 2010

Trade Estimates of Major New Business Wins

Agency	Incumbent	Account	Office	Billings (\$m)
Ogilvy	JWT	Kimberly-Clark	USA	70
Team Detroit	IPG	Sports Authority	USA	70
GroupM	None	Microsoft	China	64
Ogilvy	Ind	Expedia	Europe	62
Maxus	PUB	L'Oreal	Thailand	60
MEC	OMC	Reliance Communications	India	56
Grey	Ind	Reliance Communications	India	55
Ogilvy	PUB	Tsingtsao Beer	China	50
Grey	HAV	Bausch & Lomb	China	50
JWT	Ind	Department of Health & Ageing	Australia	41
MediaCom	AGS	NRMA Insurance	Australia	36
Schematic	Ind	Mitsubishi	North America	35
Grey	Local agencies	Santander	Europe	32
Maxus	MEC	Fiat	UK	30
Ogilvy	OMC	American Family Insurance	USA	30

Shaded figures are Q4 wins



Results for 2010

Trade Estimates of Major New Business Wins

Agency	Incumbent	Account	Office	Billings (\$m)
Maxus	IPG	L'Oreal	India	30
MEC	PUB	South Australian Government	Australia	27
GroupM	AGS	BNP Paribas	Italy	25
MEC	In house	Telkomsel	Indonesia	25
Bravo	Ind	Wendy's	USA	25

Shaded figures are Q4 wins



Results for 2010

Trade Estimates of Major New Business Losses

WPP Agency	Winning Agency	Account	Office	Billings (\$m)
MediaCom	OMC	GSK	USA	700
MediaCom	PUB	Darden Olive Garden	USA	160
MediaCom	AGS	Diageo	USA	130
RKCR/Y&R	OMC	Virgin Media	UK	105
JWT	IPG	Microsoft	Worldwide	100
Ogilvy	Grey	GSK	Worldwide	100
MediaCom	AGS	Smuckers	USA	95
Ogilvy	Ind	Post Foods	USA	90
Grey	DEN	Pfizer	Worldwide	80
Grey	PUB	P&G Flash	Worldwide	79
MEC	PUB	Mars-Wrigley's	China	70
JWT	Ogilvy	Kimberly-Clark	USA	70
JWT	BBH	Diageo	Worldwide	59
MediaCom	PUB	GSK	Germany, Austria, Switzerland	57

Shaded figures are Q4 losses



Results for 2010

Trade Estimates of Major New Business Losses

WPP Agency	Winning Agency	Account	Office	Billings (\$m)
Y&R	Ind	MetLife	USA	56
Mindshare	PUB	Telefonica/O2	Europe	48
Mindshare/Neo	PUB	Yahoo!	Worldwide	45
MEC	Ind	Weight Watchers	Worldwide	40
JWT	HAV	Granini	Europe	30
Grey	Ind	Diageo	Worldwide	30
MEC	Maxus	Fiat	UK	30
Y&R	Ind	Westpac	Australia	28
Y&R	DEN	Dr Pepper Snapple	Worldwide	25
Wunderman	Ind	Toshiba	USA	25
MediaCom	Ind	Lifetime Cable Network	USA	25
MediaCom	AGS	Deutsche Bank	Worldwide	25

Shaded figures are Q4 losses



Results for 2010

Internal Estimates of Net New Business Wins in 2010

(\$m)	Creative	Media	Total
Advertising	1,325	2,455	3,780
Other Businesses	1,022	-	1,022
Total	2,347	2,455	4,802



Results for 2010

Trade Estimates of Major New Business Wins/ Losses Since 1 January 2011

	WPP Agency	Incumbent	Account	Office	Billings (\$m)
WINS	Ogilvy	PUB	Claro	Brazil	500
	Mindshare	IPG	Unilever	Australia	80
	RKCR/Y&R	Ind	Dreams	UK	55

	WPP Agency	Winning Agency	Account	Office	Billings (\$m)
LOSSES	MEC	Ind	Toshiba	USA	50
	Y&R	Ind	Hilton Hotels	USA	50
	Y&R	Ind/HAV	Dell	Worldwide	40
	Maxus	AGS	Friso	Hong Kong	35
	GroupM	IPG	Yili	China	30



Results for 2010

Cash Flow

£m	2010	2009
Headline Operating Profit	1,173	959
Non-cash compensation	71	55
Depreciation & amortisation charges	210	226
Net interest paid & similar charges	(165)	(148)
Tax paid	(207)	(217)
Net cash generation	1,082	875



Results for 2010

Uses of Cash Flow

£m	2010	2009
Net cash generation	1,082	875
Capital expenditure	(217)	(253)
Acquisition payments	(215)	(145)
- Net initial payments ¹	(97)	(63)
- Earnout payments/ loan note redemptions	(118)	(82)
Share repurchases	(46)	(9)
Other	37	(4)
Net cash inflow before dividend	641	464
Dividend	(201)	(190)
Net cash inflow before NWC changes	440	274

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

Results for 2010

Net Finance Costs/ (Income)

£m	2010	2009	B/(W)
Interest on net debt	177.4	189.0	11.6
Investment income	(9.3)	(10.2)	(0.9)
IAS 19 (Pensions)	17.2	18.7	1.5
Earnout interest	0.9	2.0	1.1
IAS 32 (Convertibles)	8.9	5.5	(3.4)
Sub-total	17.7	16.0	(1.7)
Headline finance costs	195.1	205.0	9.9
IAS 39 (Financial Instruments)	(18.2)	(23.7)	(5.5)
Gains on hedge terminations on TNS debt	-	(25.2)	(25.2)
Net finance costs	176.9	156.1	(20.8)

Results for 2010

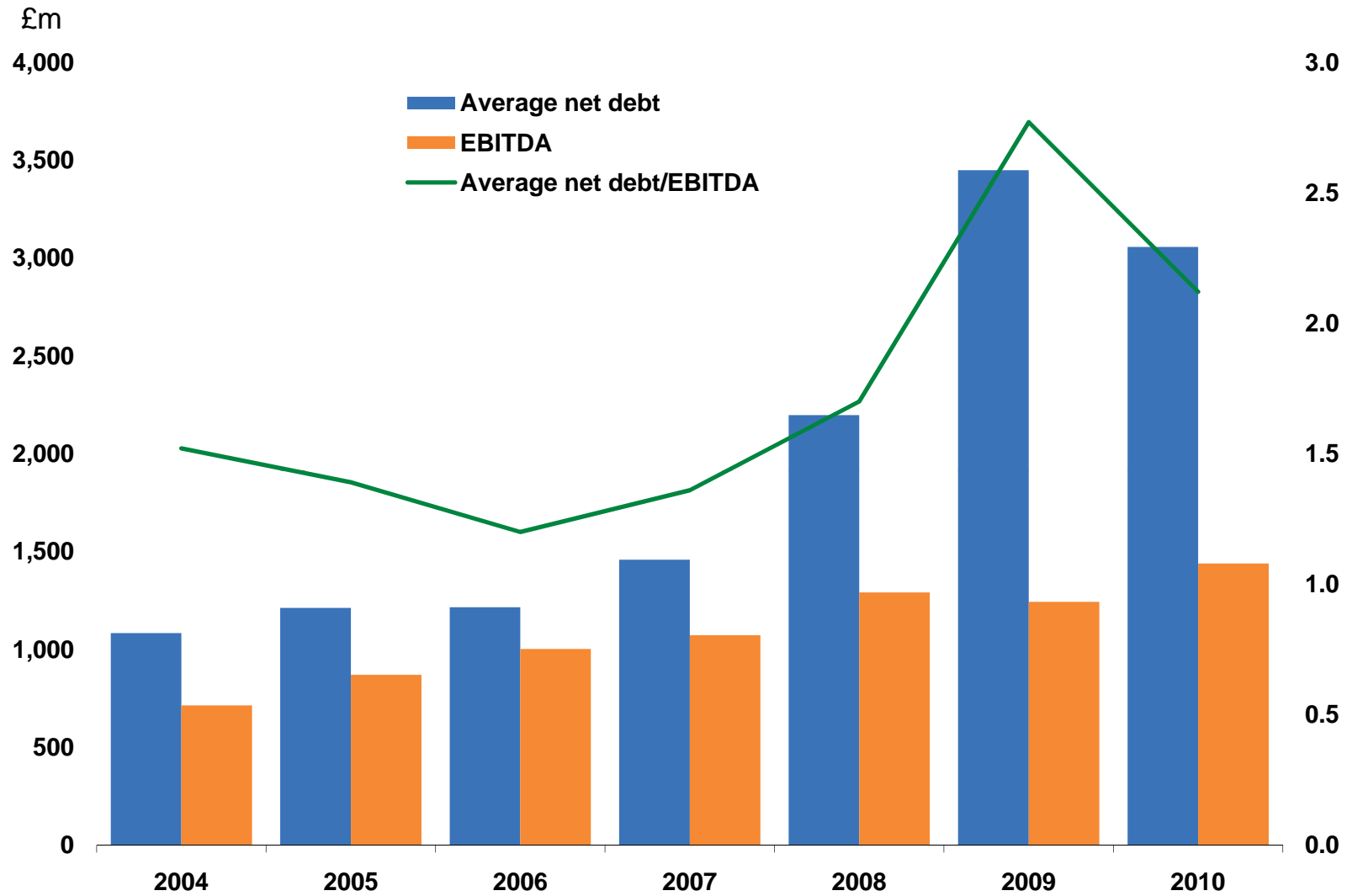
Net Debt – 31 December 2010

£m	2010	2009	% Variance
YTD average net debt on constant currency basis	(3,056)	(3,403)	+10%
YTD average net debt on reportable basis	(3,056)	(3,448)	+11%
Net debt at 31 December	(1,888)	(2,640)	+29%
YTD average net debt for first 7 weeks of 2011 on a constant currency basis	(2,013)	(2,628)	+23%
Headline finance costs	(195)	(205)	+5%
Interest cover on headline PBIT	6.3x	5.0x	
Headline EBITDA	1,439	1,243	+16%
Average net debt / headline EBITDA	2.1x	2.8x	



Results for 2010

Historic Average Net Debt/Headline EBITDA



Results for 2010

Uses of Free Cash Flow

Category	Target	FY 2010	FY 2009
New acquisitions ¹	Up to £100m	£97m ²	£63m ²
Share purchases	Up to 1%	0.5%	0.2%
Dividends	Growth up to 15%	15%	Flat
Headroom: Undrawn facilities & surplus cash		£2.8bn	£2.2bn

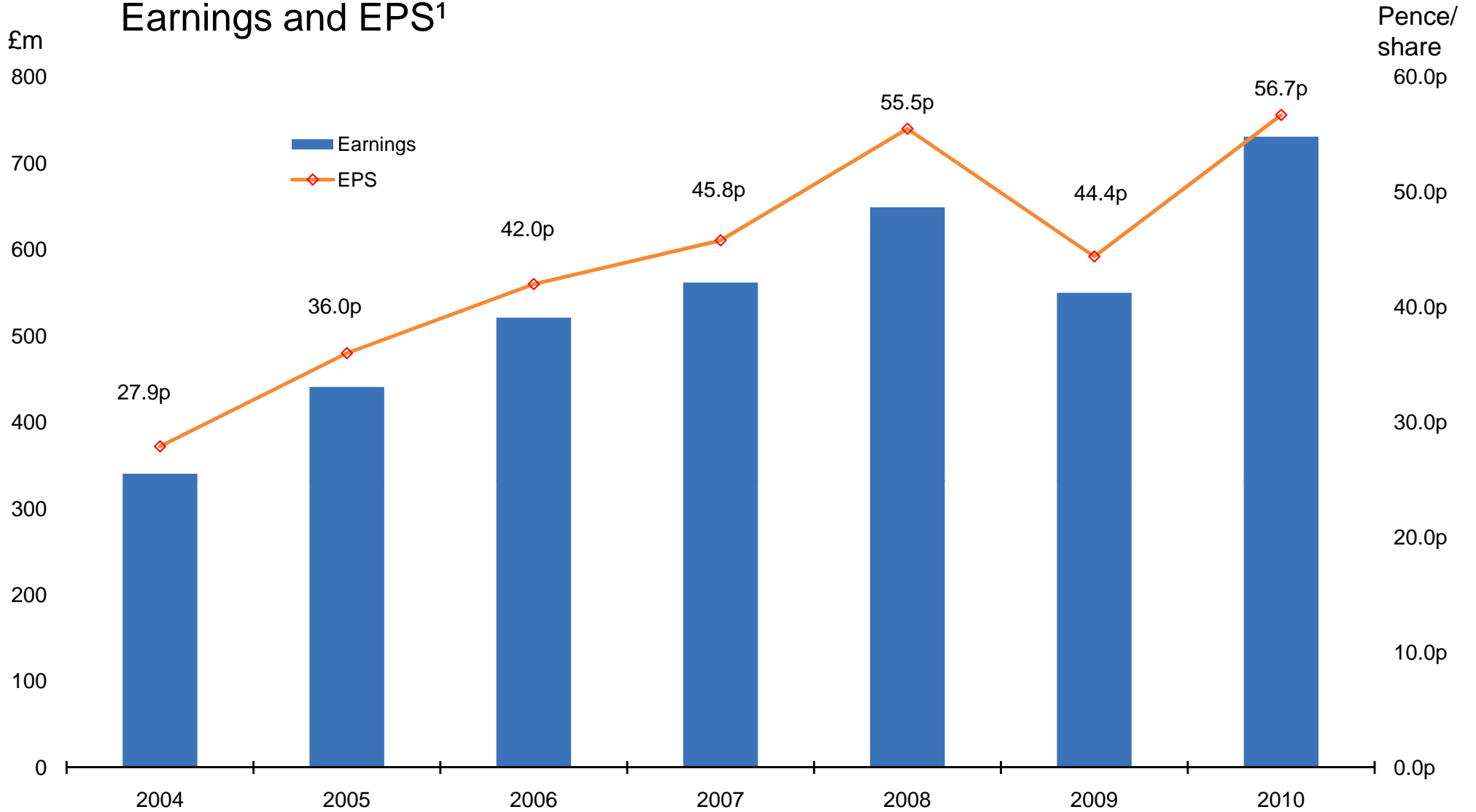
¹ Includes investments and step-ups in subsidiaries equity

² Net of disposal proceeds and net of acquired cash



Results for 2010

Earnings and EPS¹



¹ Diluted Headline Earnings and Diluted Headline EPS



Results for 2010

Ordinary Shares - Basic

No. of Shares (million)	December	December	
	2010	2009	
	Actual	Actual	
1 January	1,256	1,255	
Option exercise	8	1	
31 December	1,264	1,256	0.6%
Weighted Average	1,259	1,256	
ESOP, Treasury & Other	(26)	(37)	
Average Basic	1,233	1,219	1.1%



Results for 2010

Ordinary Shares – Diluted

	December 2010 Actual	December 2009 Actual	
No. of Shares (million)			
Average Basic	1,233	1,219	
Share Option Dilution	7	2	
Other Potentially Issuable Shares	22	17	
Sub-Total	1,262	1,238	1.9%
Convertibles: £450m 5.75% bond	77	-	
Fully Diluted Shares	1,339	1,238	8.2%



2 Key Priorities, Objectives and Strategy



Key Priorities, Objectives and Strategy

New markets, New Media and Consumer Insight

Macro

- Gathering momentum and growth in global GDP particularly outside the Western markets
- Cautious optimism in USA but shadow of deficit and emphasis on costs
- Different speeds geographically and functionally
- Still risk of Euro contagion
- Political instability and oil price
- 2011 and 2012 look reasonable but need for deficit action may impact 2013

Micro

- Client comments indicate increased spend for various reasons
- Efficiency, effectiveness and liquidity still key
- Industry consolidation
- New markets, new media and consumer insights
- Clients search for share in global growth



Key Priorities, Objectives and Strategy

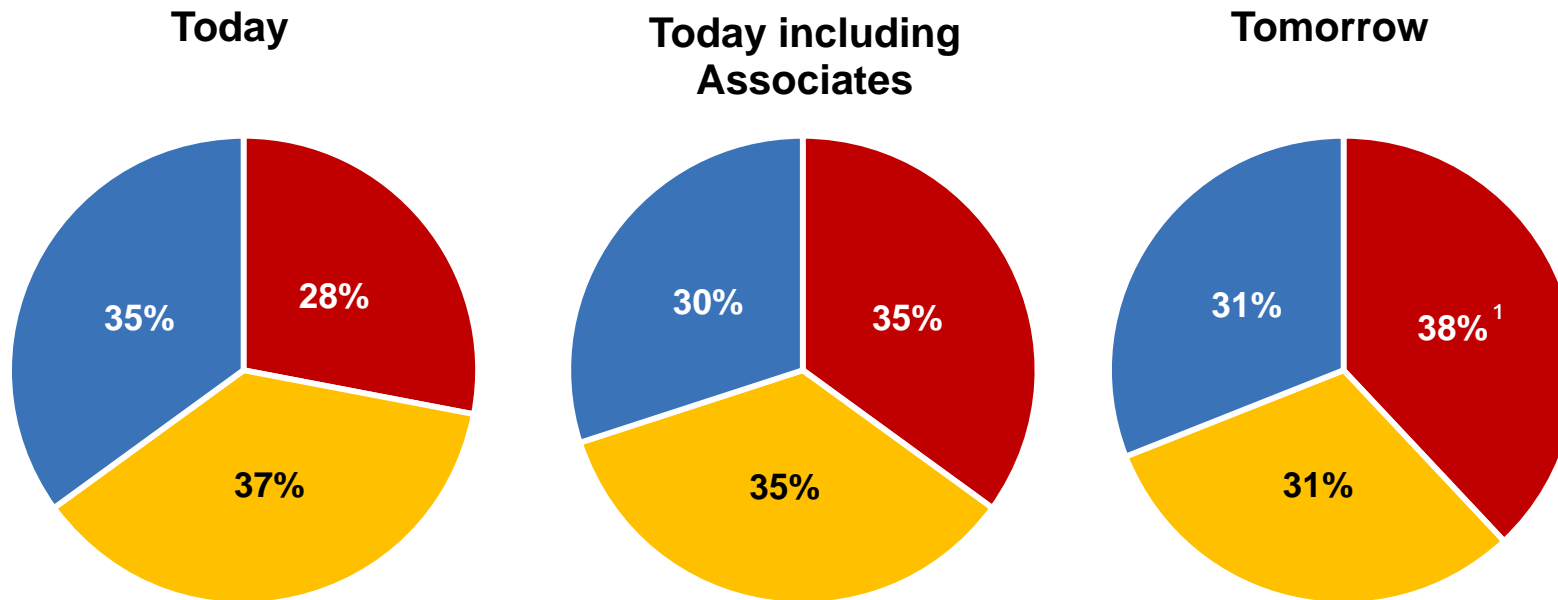
New Markets, New Media and Consumer Insight

- 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.



Key Priorities, Objectives and Strategy

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



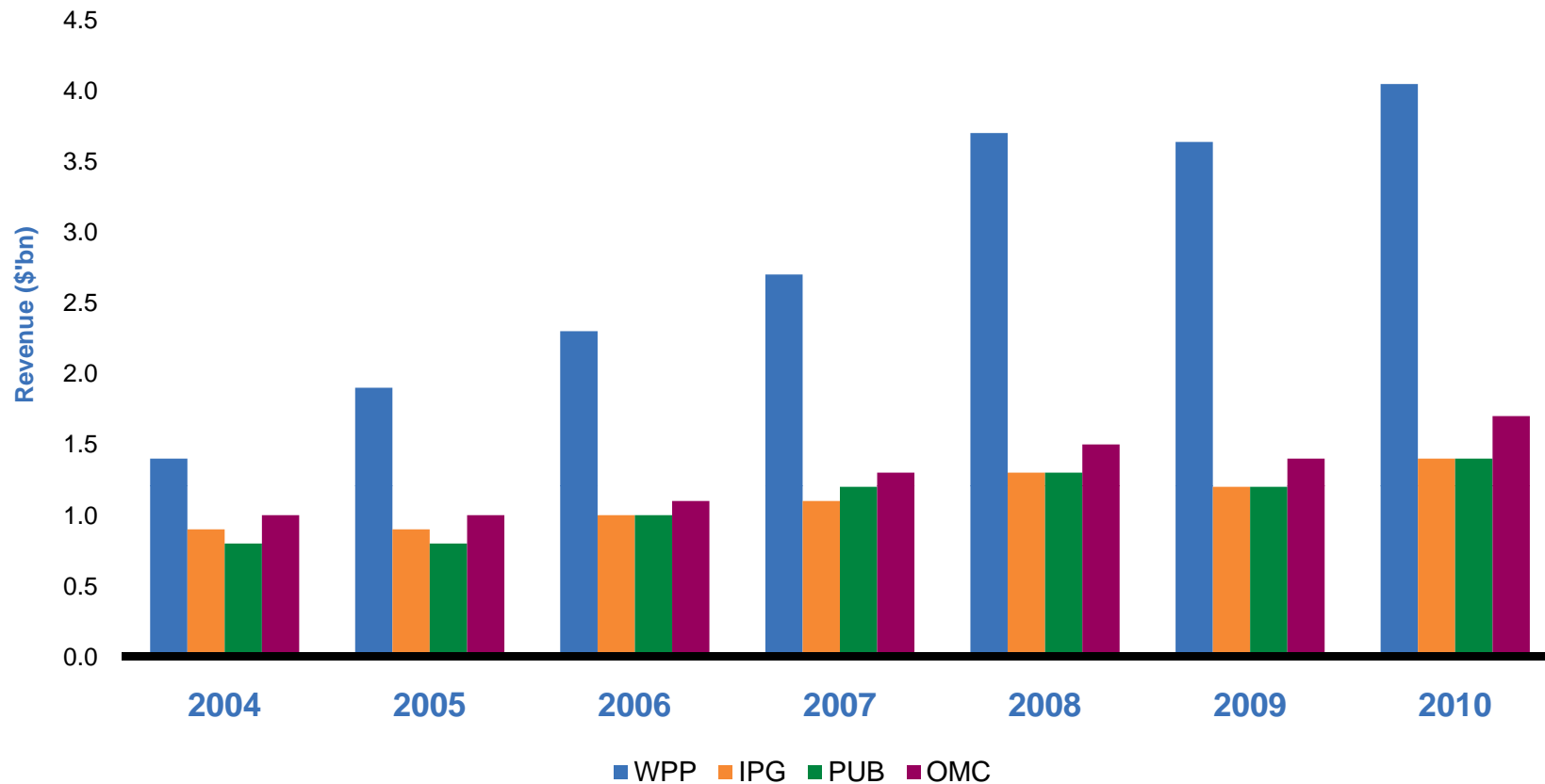
- North America
- UK & Western Continental Europe
- Asia Pacific, Latin America, Africa & Middle East, Central & Eastern Europe¹

¹ Being mid-range of 35% - 40% target for faster growing markets.



Key Priorities, Objectives and Strategy

Revenues in Faster Growing Markets 2004-2010



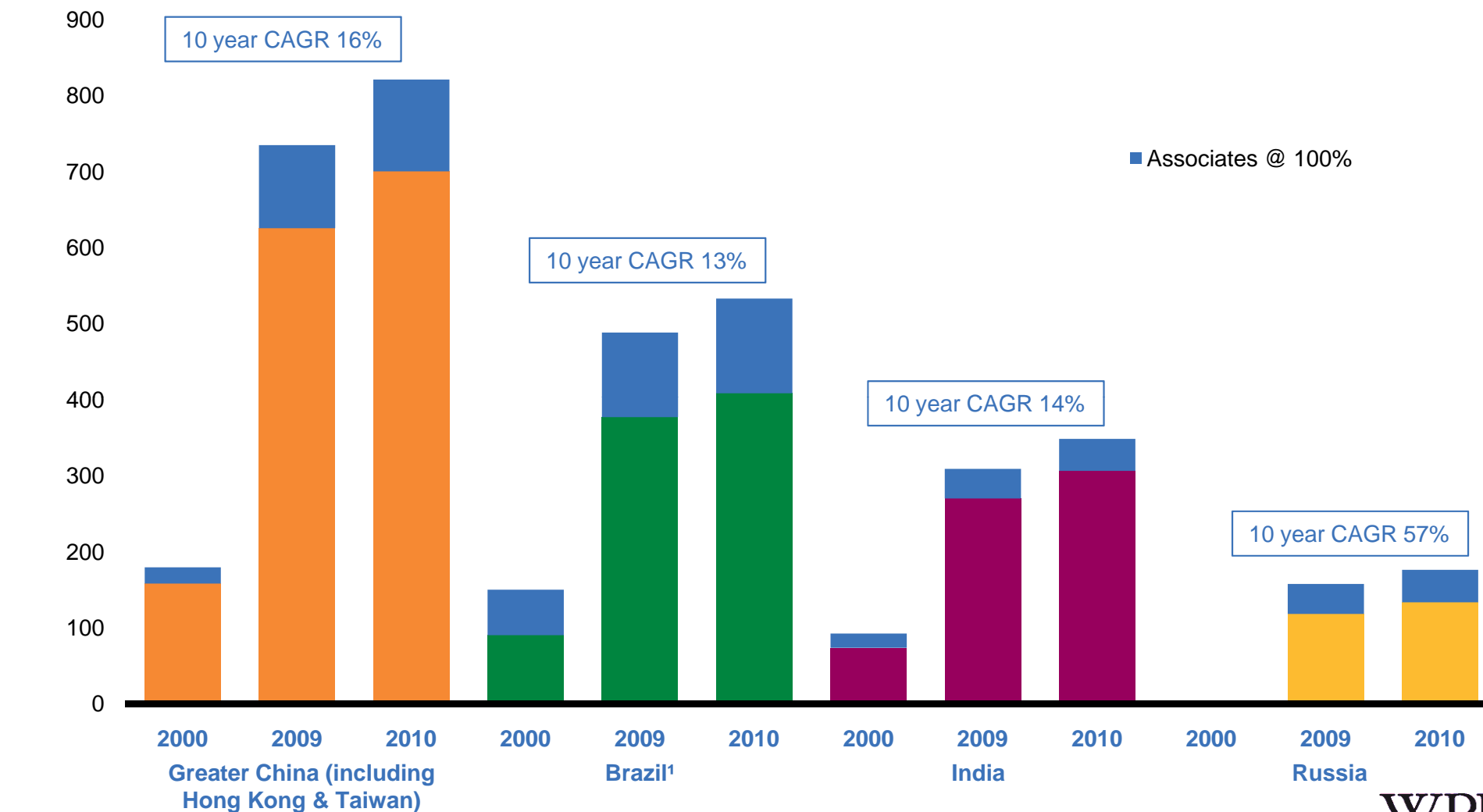
1. WPP reportable US\$'s per WPP results and peer \$ revenues as shown in annual results presentations
2. Peer data sourced from annual results translated at average exchange rate for the year (IPG, Publicis and Omnicom)
3. OMC Assumes "non-Euro currency" Europe, ie Switzerland, Turkey, Norway, Denmark,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



Key Priorities, Objectives and Strategy

WPP's Performance Strong in BRIC Markets

Revenue \$'m

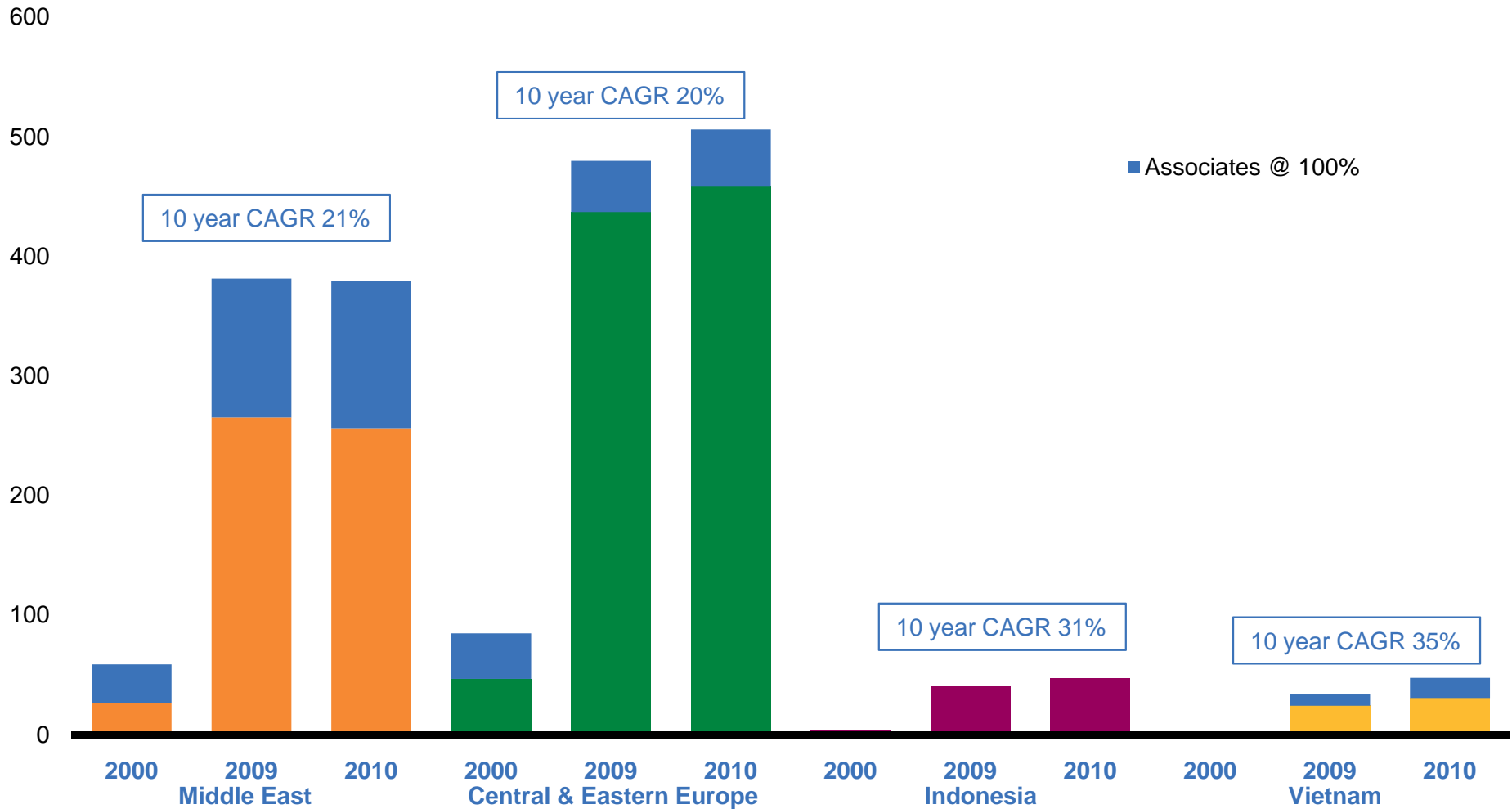


¹ Continuing operations.

Key Priorities, Objectives and Strategy

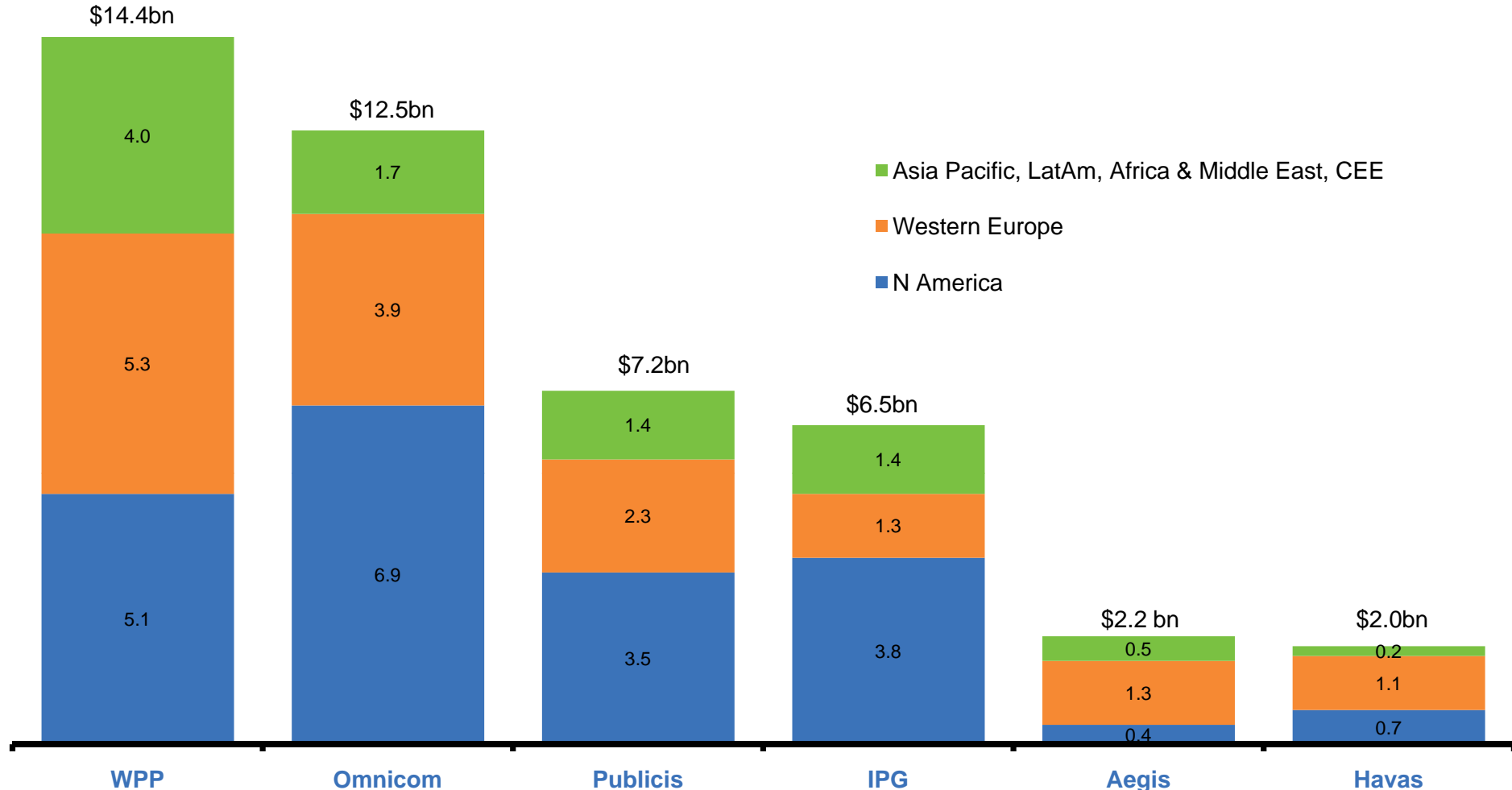
WPP's Performance Strong in Other Faster Growing Markets

Revenue \$'m



Key Priorities, Objectives and Strategy

2010 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 2010.

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.

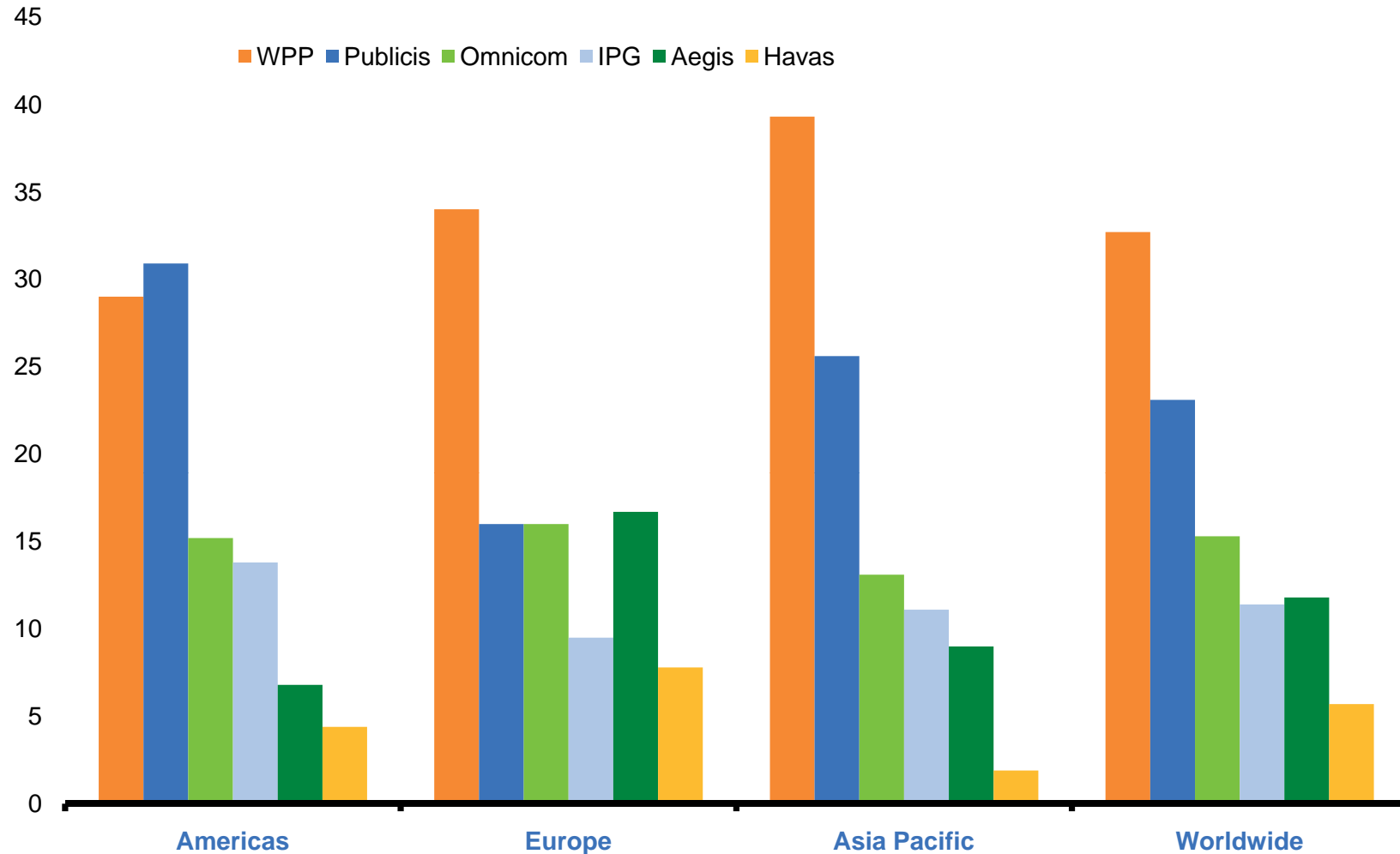
⁴ IPG. Assumes Canada is ca 1.5% of revenue. ⁵Rest of World. Asia Pacific, Latin America, Middle East and Africa. ⁶Aegis. Based on analysts' estimates.



Key Priorities, Objectives and Strategy

Media Billings by Geography

Worldwide Ranking by Group as % of the Six Groups

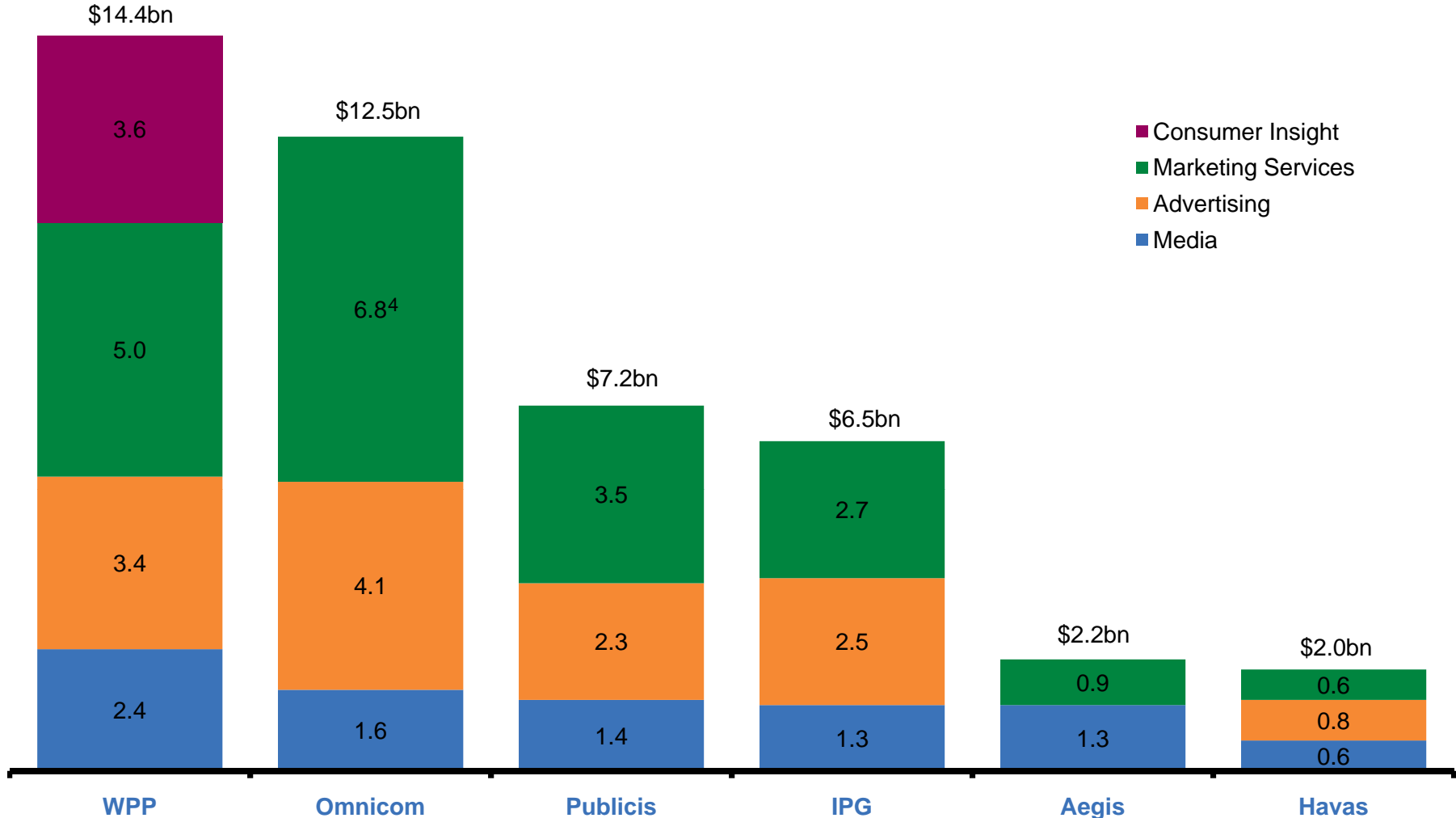


Source: RECMA July 2010 billings report, based on 2009 data.



Key Priorities, Objectives and Strategy

2010 Revenue by Discipline



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

² 2010 company disclosures except: Aegis '10 consensus estimate revenue at '09 splits, Havas, and IPG media splits analyst estimates.

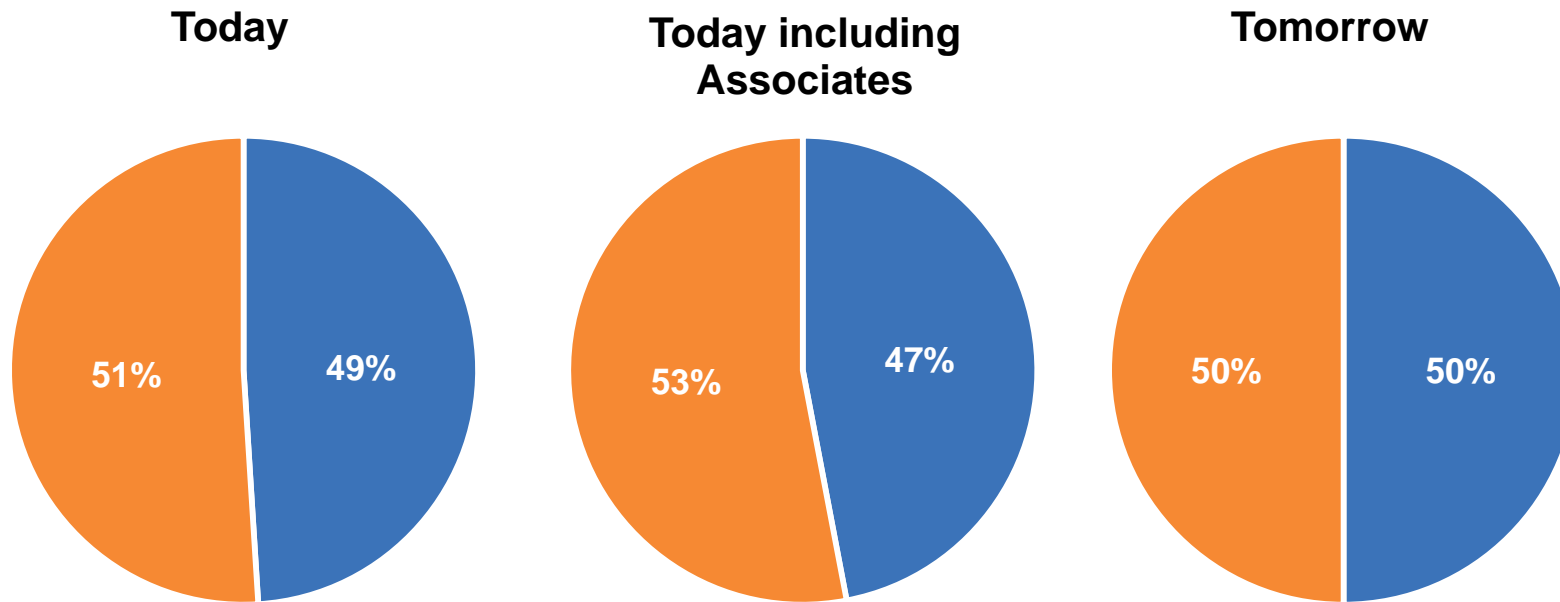
³ FX. Havas and Publicis assumes \$1=€0.75 based on the average for 2010.

⁴ Omnicom's \$6.8bn of Marketing Services revenue includes food broking, barter, SELLBYTEL and consumer insight operations.



Key Priorities, Objectives and Strategy

Quantitative Disciplines to be One Half of Total Group

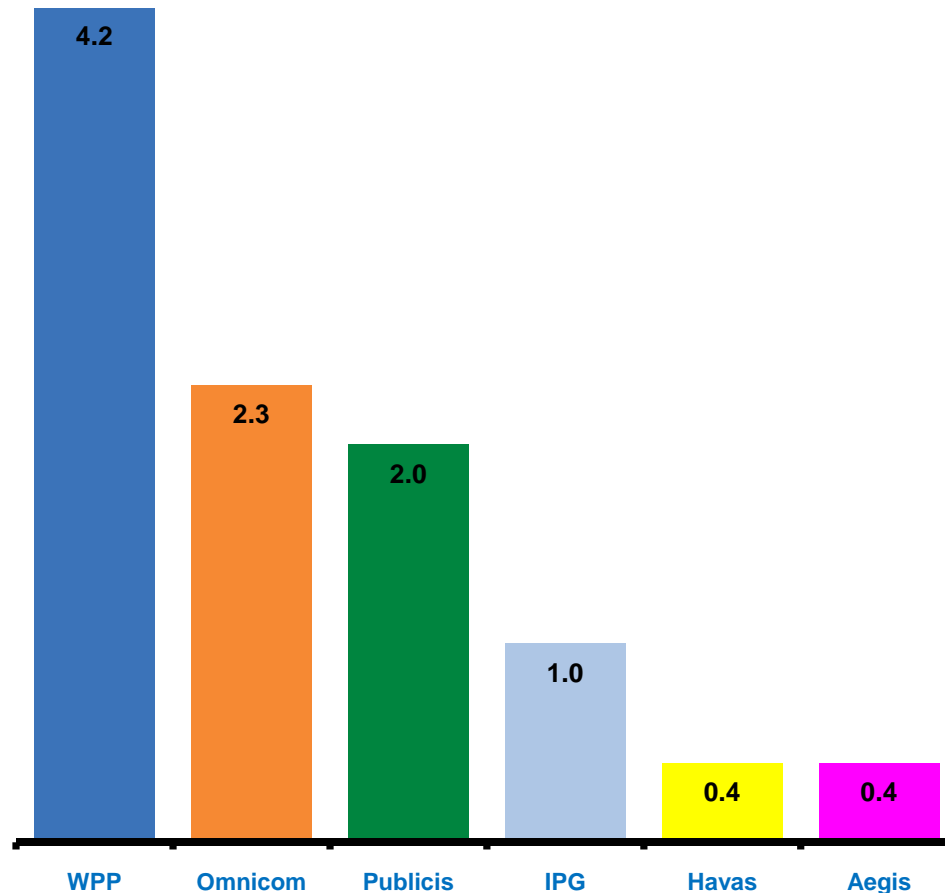


- Consumer Insight and Direct, Digital & Interactive
- Advertising, Media Investment Management & Other Marketing Services



Digital In All Our Businesses

Global Scale and Quality



- Most significant resource in peer group (geographic spread, strength of brands and size).
- GroupM is No. 1 search and digital media buyer.
- Strong Kantar digital businesses – eg Compete, Cymfony, Dynamic Logic, Lightspeed.
- Proprietary technology platform will enable Group to optimize client campaigns and build unique advantage for clients.

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



Key Priorities, Objectives & Strategy

WPP Position in Direct, Digital and Interactive

	\$'m
Direct, Digital and Interactive Networks	2,319
(OgilvyOne, Wunderman, G2 and WPP Digital)	
% of Group revenues	16%
Specialist Direct, Digital and Interactive resources:	
- Consumer Insight (Millward Brown, TNS and Lightspeed)	941
- GroupM	423
- Other	490
Total 2010	4,173
% of Group revenues	29%
Total 2009	3,750
% of Group revenues	27%



Key Priorities, Objectives & Strategy

WPP Position in Direct, Digital and Interactive

WPP with three “digital leaders”

(Leading Independent Research Firm interactive ranking)

- Key criteria for inclusion:
 - mentioned as a “top three competitor” by peers
 - covering at least 7 of 9 key service areas (digital strategy, web development, technology architecture and support, creative, email/CRM analytics, media planning and buying, search and emerging media)
 - new business record
- Seven agencies named as leaders of which three were WPP agencies (OgilvyInteractive, VML and Wunderman).
- Other network agency leaders were Organic, Razorfish, RGA, and Sapient.



Key Priorities, Objectives and Strategy

Digital Businesses

	\$'m
Wunderman	900 ¹
OgilvyOne	800 ¹
G2	275 ¹
24/7 Real Media	150 ¹
GroupM Search	125 ³
Possible Worldwide	100 ¹
VML	100 ²

¹ In WPP Direct, Digital and Interactive Networks.

² In "Other Digital".

³ In GroupM Digital.



Key Priorities, Objectives & Strategy

Digital Strategy

- Invest in expansion of the networks and our Kantar Media and GroupM specialist services such as:
 - tenthavenue engagement network primarily focussed on out-of-home media.
 - GroupM Search and 24/7 Real Media partnership focused on DSP and use of Ad Network inventory.
 - Possible Worldwide launched in February 2011.

- Use proprietary technology linked with industry partnerships to improve client campaign effectiveness:
 - \$1bn in digital spend on WPP platforms.
 - Ability to use data across third party and internal platforms.
 - Access across partners to a common data warehouse.

- Invest in new products to offer specialist services in retail marketing and DSPs and in measurement of effectiveness on the web.

- Proprietary platform allows WPP to manage its proprietary data and interface with the changing industry landscape.



Key Priorities, Objectives & Strategy

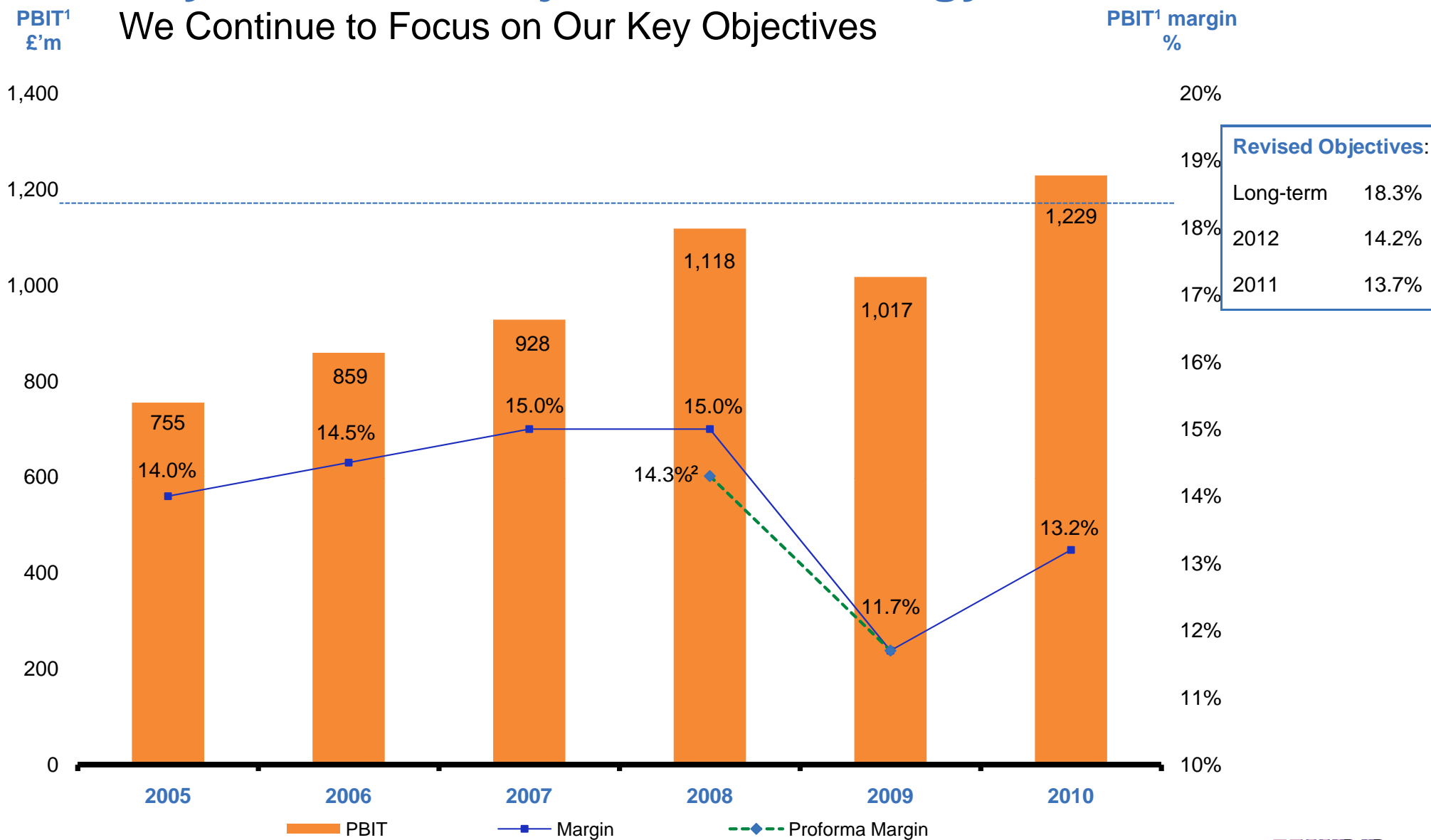
We Continue to Focus on Our Key Objectives

- 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



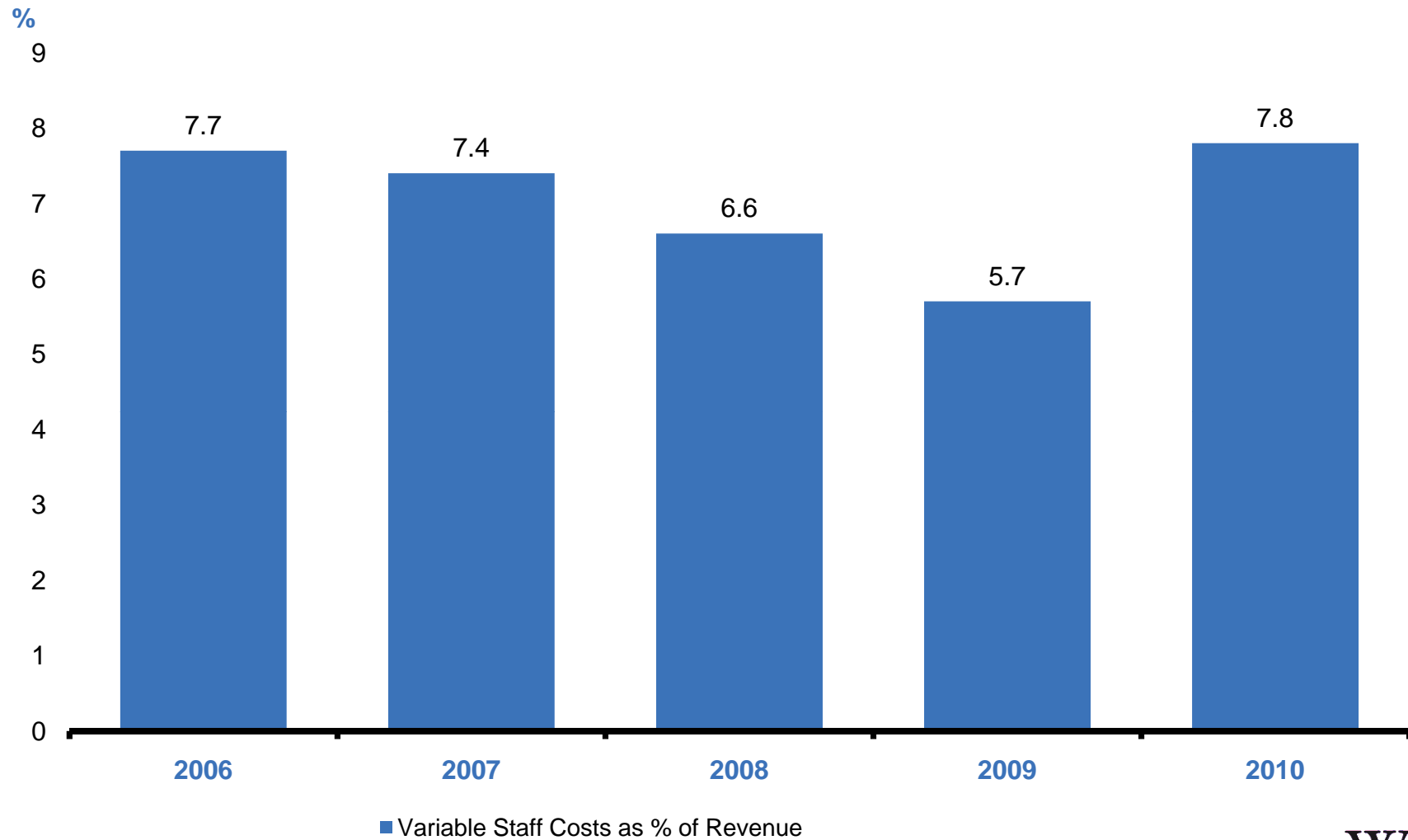
¹ Headline PBIT excludes finance income/ costs and revaluation of financial instruments, taxation, goodwill and intangibles charges, investment gains/losses, and share of exceptional gains/losses of associates.

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

Key Priorities, Objectives & Strategy

Increasing Flexibility in The Cost Base

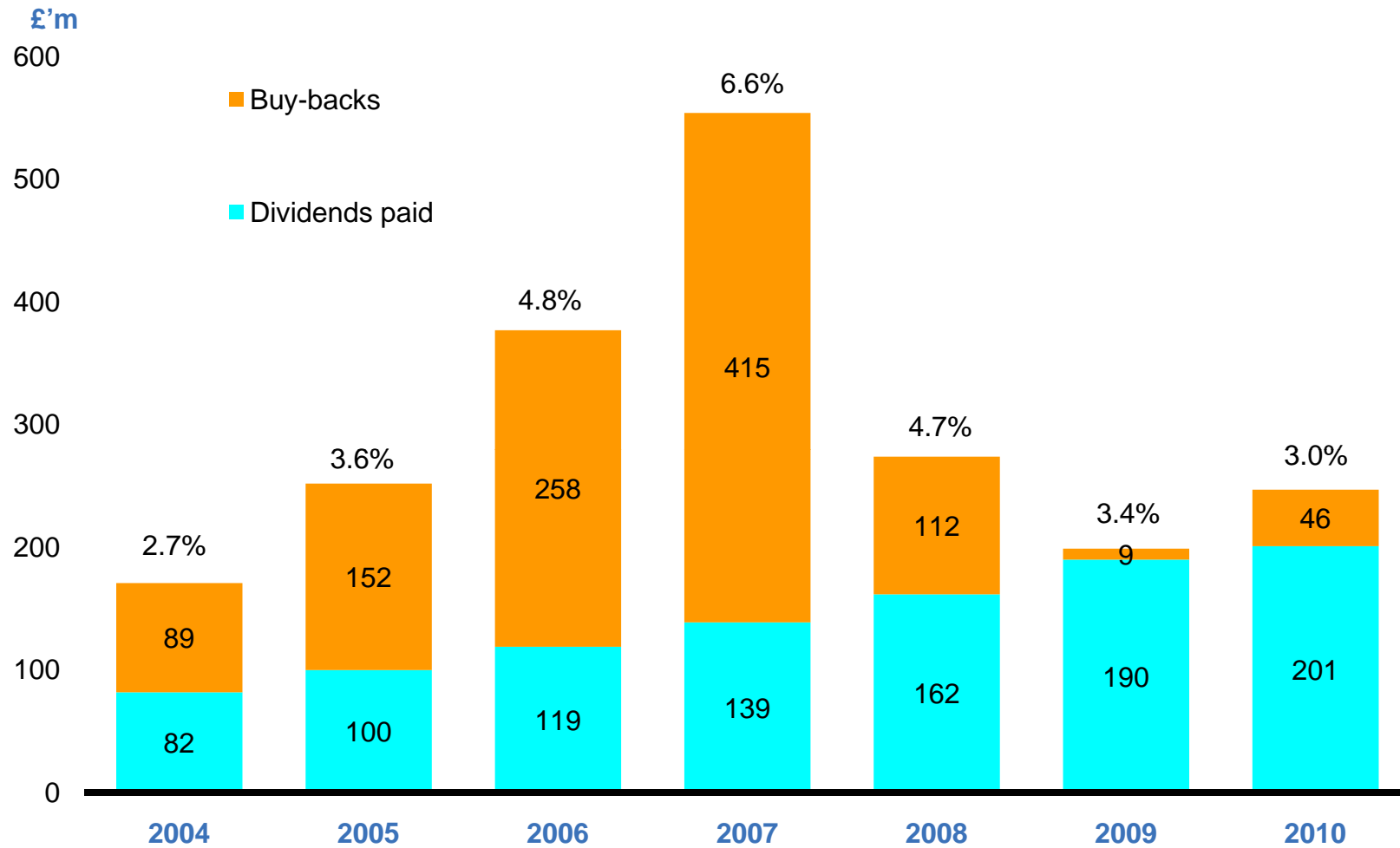
Change in Variable Costs



Key Priorities, Objectives & Strategy

Using Free Cashflow to Enhance Share Owner Value

Distributions to Share Owners¹

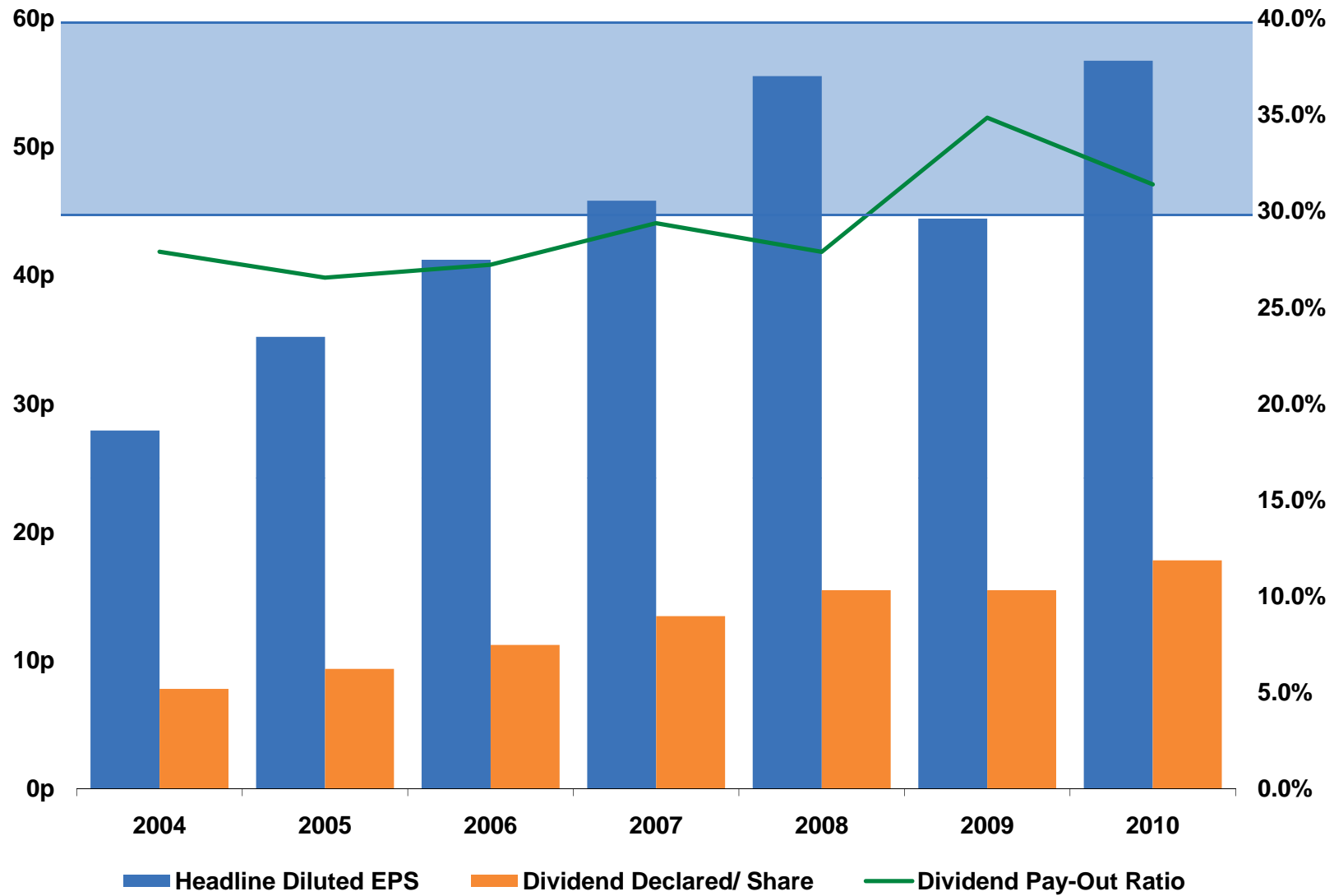


¹ Sum of share buy-backs and dividends paid divided by average shares in issue for the relevant period, as a % of the average share price for the relevant period



Key Priorities, Strategy and Objectives

Dividend Pay-Out Ratio



Key Priorities, Objectives and Strategy

We Continue to Focus on Our Key Objectives

Acquisitions

- Continue to focus on the faster growing geographical areas and marketing services, particularly direct, digital & interactive and consumer insight.
- During 2010, 25 small and mid size acquisitions 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.

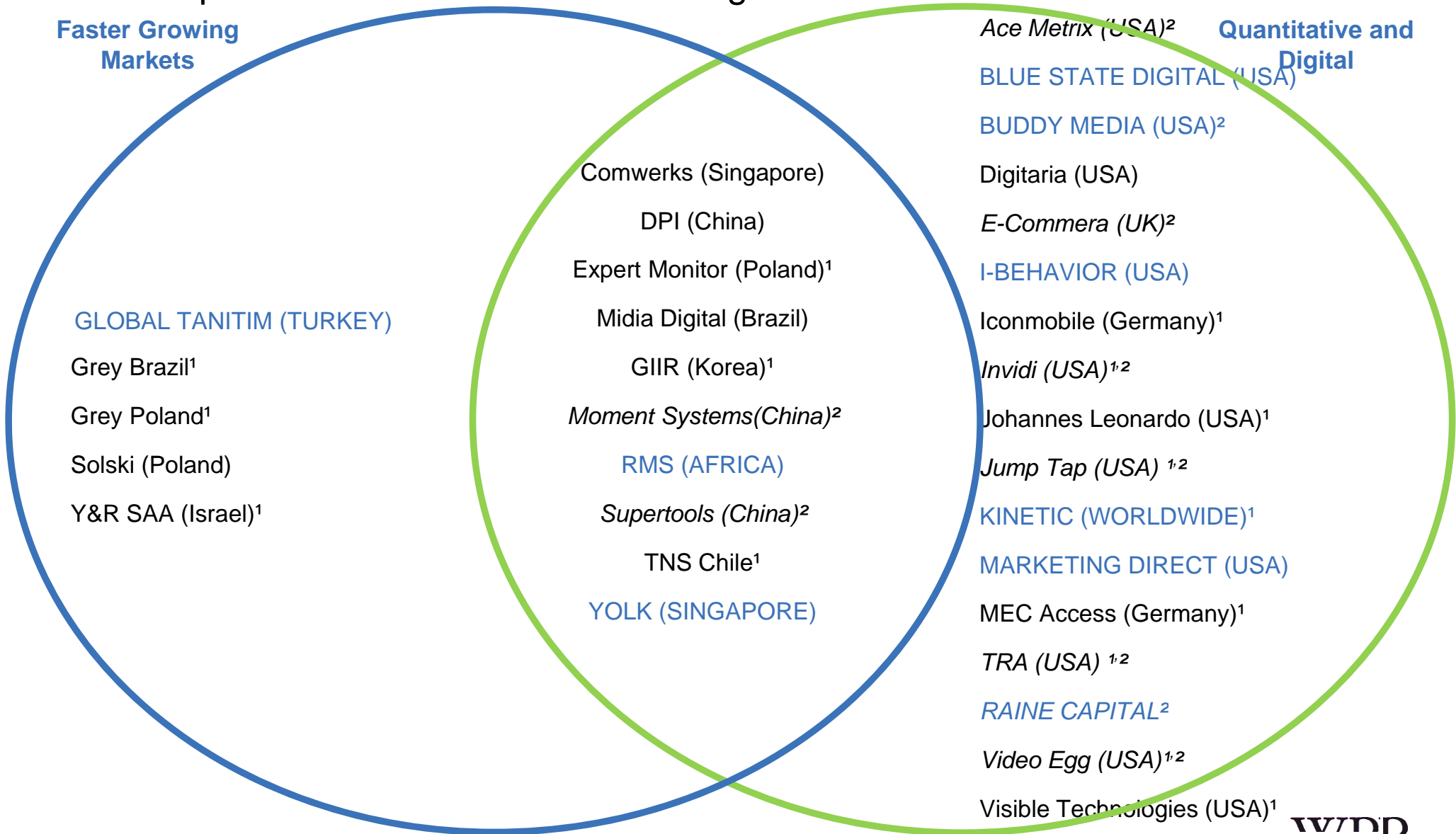


Key Priorities, Objectives and Strategy

Acquisitions and Investments During 2010

Faster Growing Markets

Quantitative and Digital



¹ Step-ups in investments, associates and subsidiaries' equity ² Investment

CAPITALS ARE Q4 ACQUISITIONS

Key Priorities, Objectives and Strategy

Acquisitions and Investments During 2010

Advertising

TAXI (CANADA/ USA/ NETHERLANDS)

Healthcare

Geoff Howe (UK/ USA/ Czech Republic)

Public Relations & Public Affairs

Hering Schuppener¹ (Germany)

GLOBAL COUNSEL² (UK)

¹ Step-ups in investments, associates and subsidiaries' equity ² Associate

CAPITALS ARE Q4 ACQUISITIONS



Key Priorities, Objectives and Strategy

Acquisitions and Investments Since 1 January 2011

Advertising

Ogilvy South Africa¹

Media Investment Management

Mindshare South Africa¹

Consumer Insight

Spring und Pischke (Germany)



¹ Step-ups in investments, 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.
- 2nd as a Group at Cannes as last year considerably narrowing the gap to first place.

Cannes Awards 2010	Points
OMC	1,452
WPP	1,317
Publicis	883

- Same position in Gunn Report, even on accurately weighted basis.



3 Conclusions



Conclusions

2010 Summary

- Industry has demonstrated remarkable rebound with strong and increasing momentum through 2010.
- The Group showed strong and increasing organic growth – up 5.3% for the year and 8.5% in the fourth quarter.
- Headline PBIT Margin up 1.5 margin points and pre-incentive margin up 3.0 margin points versus 2009.
- Strong cash flow from operations – average net debt down £392m on reportable basis (down £347m at 2010 exchange rates).
- Fully diluted Headline EPS up almost 28% to new peak of 56.7p – and dividend up 15%.
- Good start to 2011.



Conclusions

Outlook

- The US and traditional media have shown the sharpest turnaround and were the biggest sources of growth in 2010....
- ...but in the fourth quarter faster growing markets accelerated with organic growth of 12.1%, overtaking the US which grew at 9.5%.
- Our 2011 budgets indicate organic growth at around 5% with a return to strongest growth in faster growing markets, but the US still growing faster than Western Europe and, functionally in media investment management, digital media, data analytics and the application of technology.
- Our margin target remains at least 0.5 margin points improvement in 2011 and 2012 with continued progress to our long-term goal of 18.3% margin.
- We will use our cash flow to enhance earnings through small and medium size acquisitions, share buy-backs and debt reduction.
- Our goal is to deliver our financial model target of 10% to 15% EPS growth through organic revenue growth of up to 5%, margin improvement of 0.5 margin points or more and use of our cash flow.



Conclusions

- The Group is well placed by region and discipline to benefit from industry trends.
- The investment in digital tools and infrastructure will enable the Group to optimise client campaigns and build unique advantage for clients.
- In Wunderman and OgilvyOne, WPP has the two leading global direct, digital and interactive networks by revenue, footprint and headcount.
- Our ambition for 2011 is to increase EPS by 10% to 15% and to maintain our Average Net Debt/ Headline EBITDA around 2x, whilst investing further in the business to support our strategic goals.
- As growth returns to the global economy, the Group's strategic focus on new markets, new media, consumer insight, including the application of technology and data analytics, will prove to be even more effective.



4 Other Financial Information (Hard Copy Only)



Results for 2010

Pensions Deficit

£m	2010	2009
Deficit B/F	(252)	(272)
Service cost	(23)	(22)
Deficit interest charge	(46)	(46)
Funding	53	48
Investment returns (net)	31	22
Other movements	(1)	(4)
Movements in the year excluding FX	14	(2)
Foreign exchange impact	(4)	22
Deficit C/F	(242)	(252)



Results for 2010

Earnout Accrual

2010 Rollforward	£m
31 December 2009	262
Earnouts paid	(113)
Revised estimates	82
New acquisitions	33
Increase excluding FX	2
Foreign exchange impact	11
31 December 2010	275

Expected Payments	£m
2011	207
2012	40
2013	12
2014	4
2015+	12
Total	275



Results for 2010

Debt Maturity Profile £m

As at 31 December 2010	Total Credit	Total Drawn	2011	2012	2013	2014	2015	2016	2017	2020
£ bonds £200m (6.375% '20)	200	200								200
£ bonds £400m (6% '17)	400	400							400	
Eurobonds €750m (6.625% '16)	643	643						643		
Eurobonds €500m (5.25% '15)	429	429					429			
£ convertible £450m (5.75% '14)	450	450				450				
US bond \$650m (5.875% '14)	417	417				417				
US bond \$600m (8% '14)	385	385				385				
Eurobonds €600m (4.375% '13)	514	514			514					
Bank revolver ¹ \$1,600m	1,026	81		81						
TNS notes retained ¹ \$55m	35	35		19		16				
TNS acquisition revolver ^{1,2} £200m	200	0								
Debt facilities	4,699	3,554	-	100	514	1,268	429	643	400	200
Net cash, overdrafts and other adjustments		(1,666)								
Net debt		1,888								

¹ These instruments are subject to financial covenants

² Amortising facility – maximum available £200m

Key Priorities, Objectives and Strategy

Using Free Cash Flow to Enhance Share Owner Value

Dividends and Share Repurchases

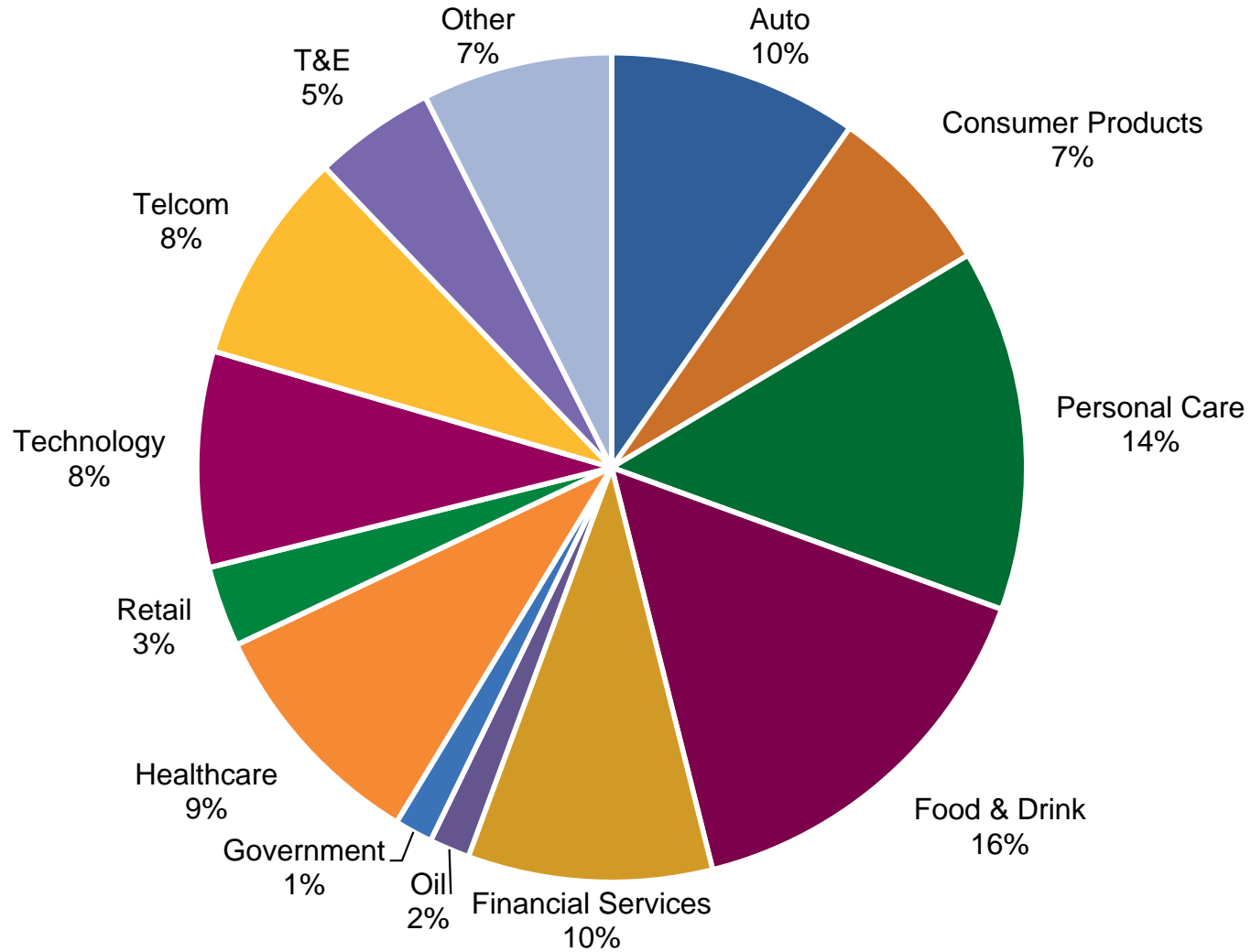
2010 second interim dividend increased by 15% to 11.82p per share (2009 - 10.28p). Distributions to share owners:

	Dividends Paid	Share Repurchases	
		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%

¹ Of which 4.6% relates to share cancellations.

Results for 2010

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 (1,800 approx) for the period ended 31 December 2010.



5 Structure and Competitive Position (Hard Copy Only)



WPP Today

- WPP is the world's largest communication services group with over 146,000 people (including associates) in almost 2,400 offices in 107 countries worldwide.
- 336 of the Fortune Global 500, 29 of the Dow Jones 30, 61 of the Nasdaq 100 and 35 of the Fortune e-50 as clients. 467 clients in all four disciplines and over 347 clients in six or more countries.
- Quoted in London and on Nasdaq, with market capitalisation of around £10.6 billion.
- 33rd in FTSE 100 Index, 4th in FT Top UK companies by turnover, 110th in Euro FT 300, 359th in S&P Global 1200 and 378th 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
tenthavenue
KR Media¹

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

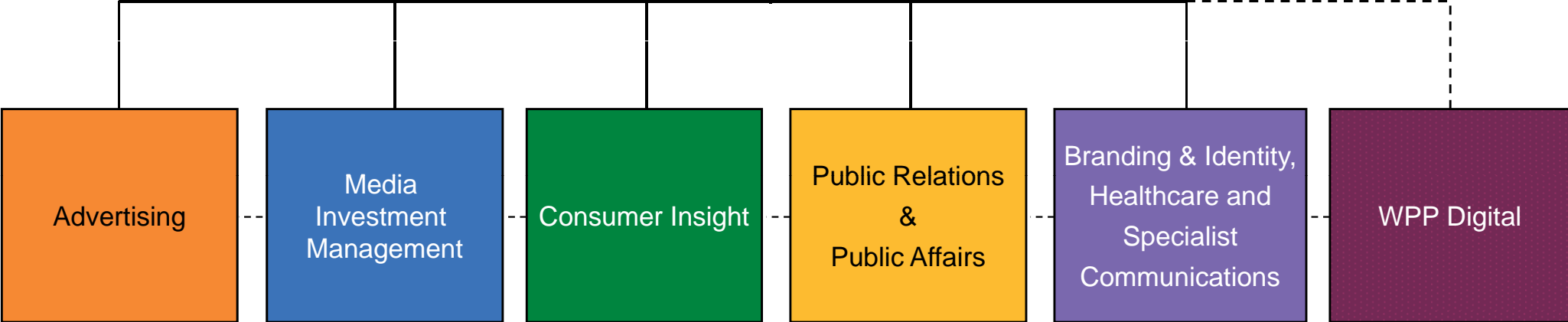
¹ Associate



WPP Today



Revenue £9.3bn
 PBIT £1,229m



Revenue £3.7bn
 PBIT £573m

Revenue £2.4bn
 PBIT £235m

Revenue £0.9bn
 PBIT £133m

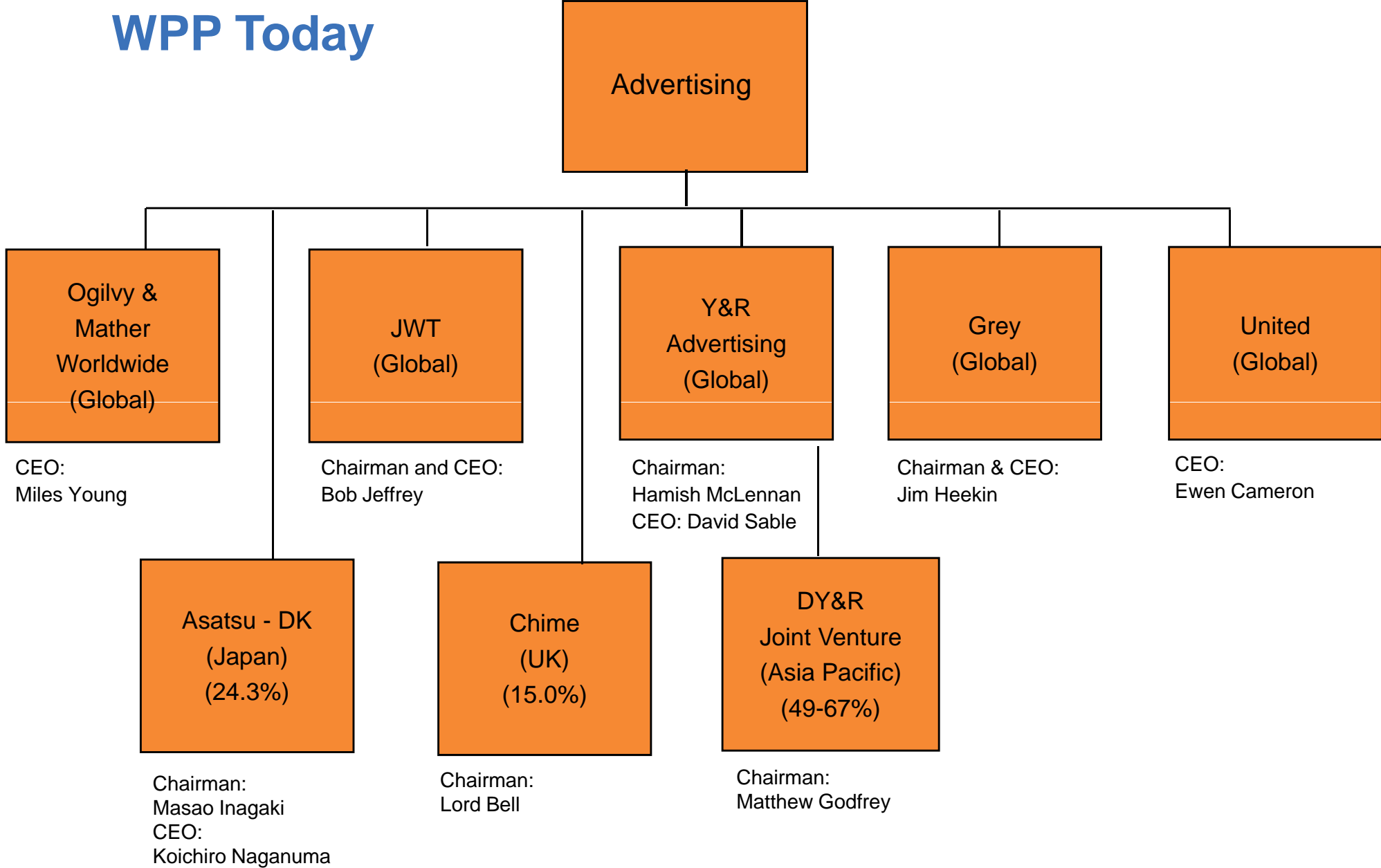
Revenue £2.3bn
 PBIT £288m

Revenue Broader £2.7bn
 (c 29%)

Revenue and PBIT figures are 2010 reported sterling actuals.
 PBIT is stated before goodwill and intangibles charges, investment gains/losses and share of exceptional gains/losses of associates.



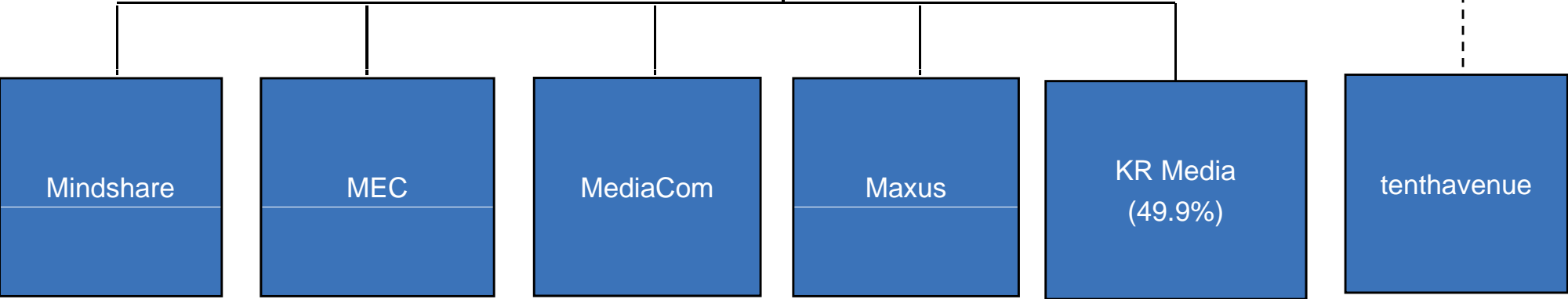
WPP Today



WPP Today



CEO: Irwin Gotlieb



CEO: Dominic Proctor

Chairman: Charles Courtier
CEO: Dominic Grainger

CEO: Stephen Allan

CEO: Kelly Clark

Joint CEO: Bruno Kemoun
Joint CEO: Eryck Rebbouh

CEO: Rupert Day



WPP Today

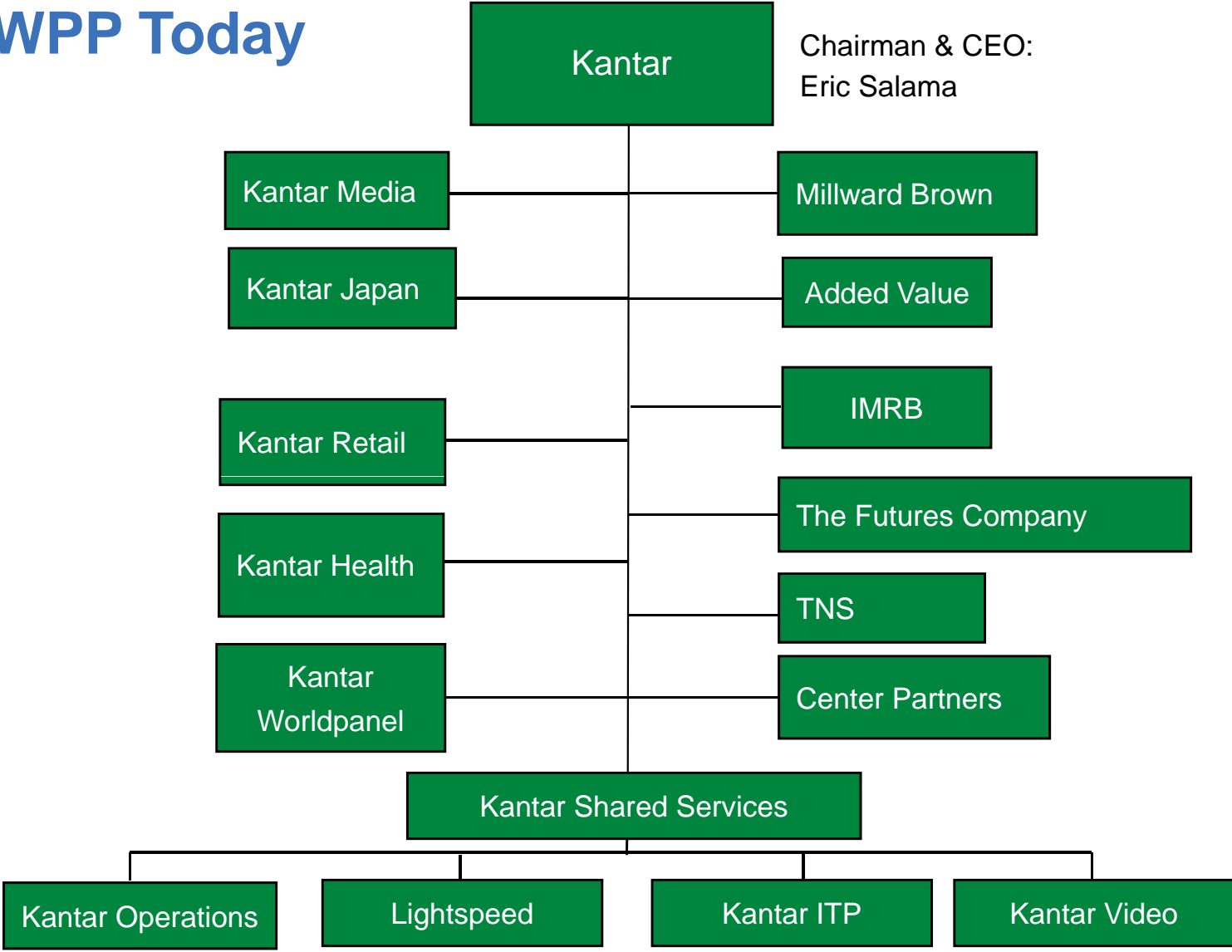
Media Investment Management - Competitive Worldwide Ranking

	<u>Americas</u>	<u>EMEA</u>	<u>Pacific</u>	<u>Worldwide</u>
Mindshare	4	5	1	3
MEC	5	4	8	7
MediaCom	6	3	5	5
Maxus	12	13	9	13
GroupM	2	1	1	1

Source: RECMA July 2010 Billings Rankings report, based on 2009 data.



WPP Today



WPP Today

Consumer Insight – Worldwide Competitive Ranking

1. The Nielsen Company

2. Kantar

3. IMS

4. GfK

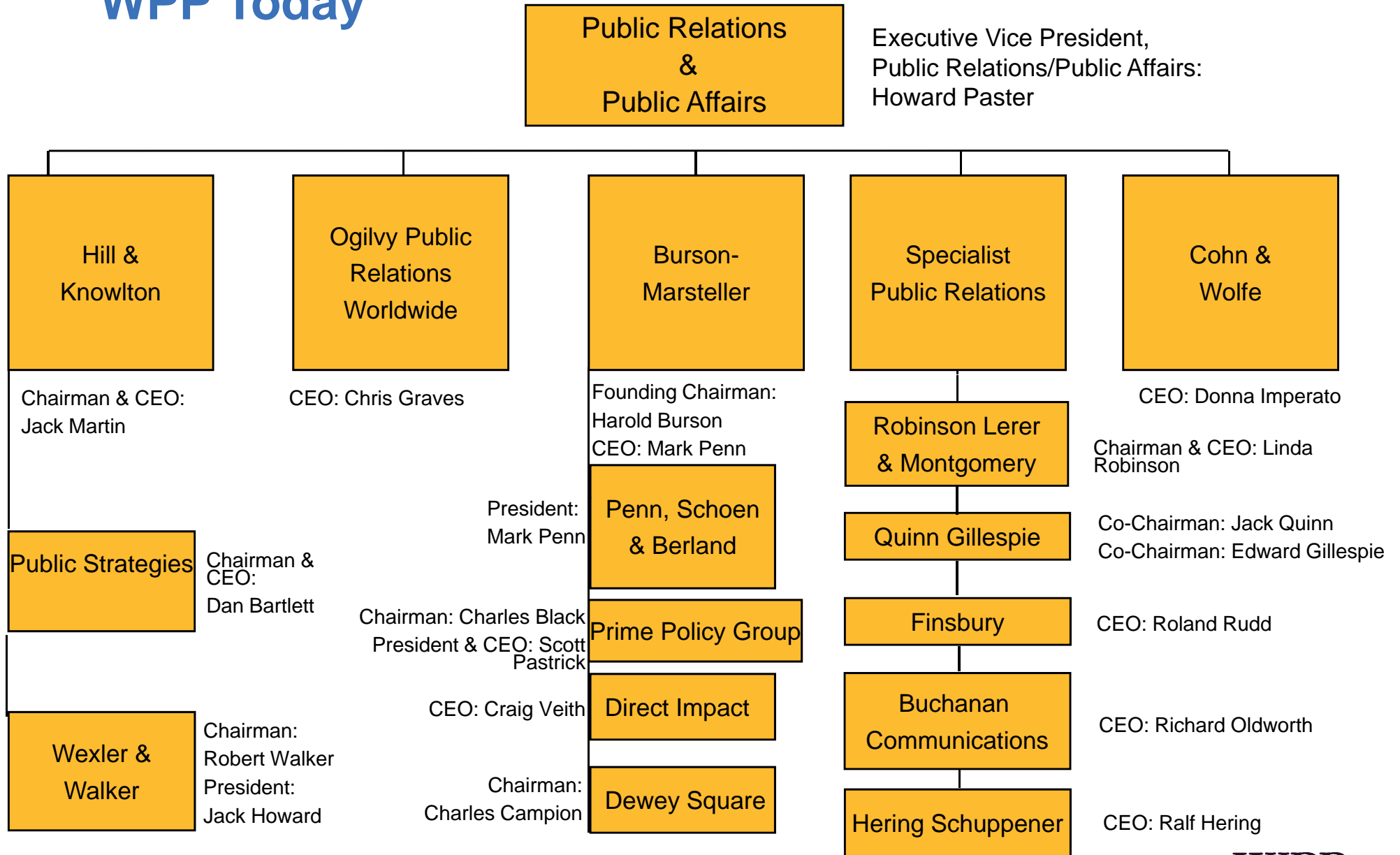
5. Ipsos

6. Synovate

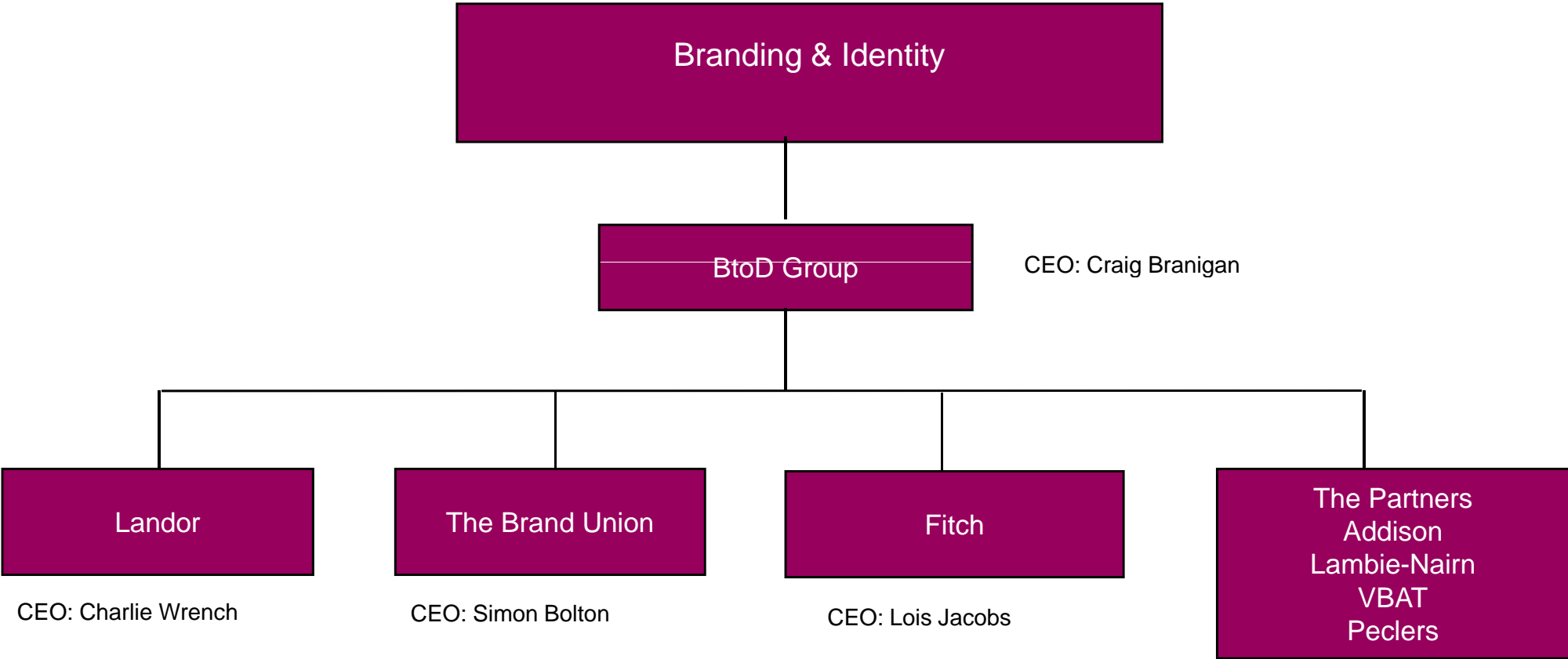
7. SymphonyIRI

Source: ESOMAR 2010, published Sept 2010.

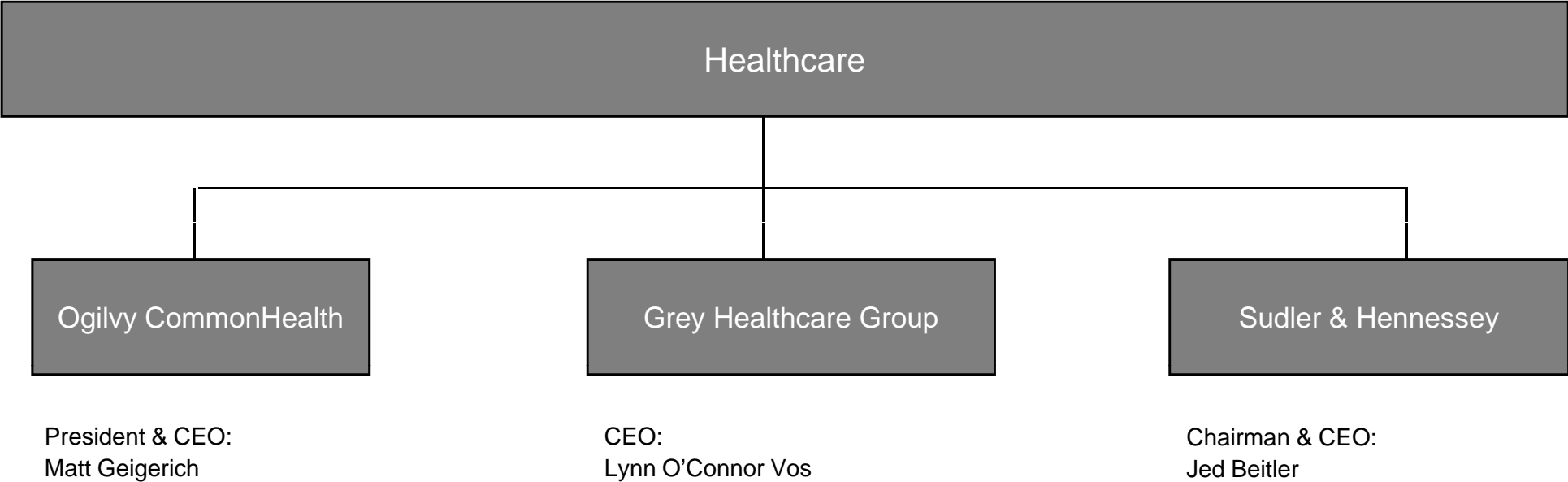
WPP Today



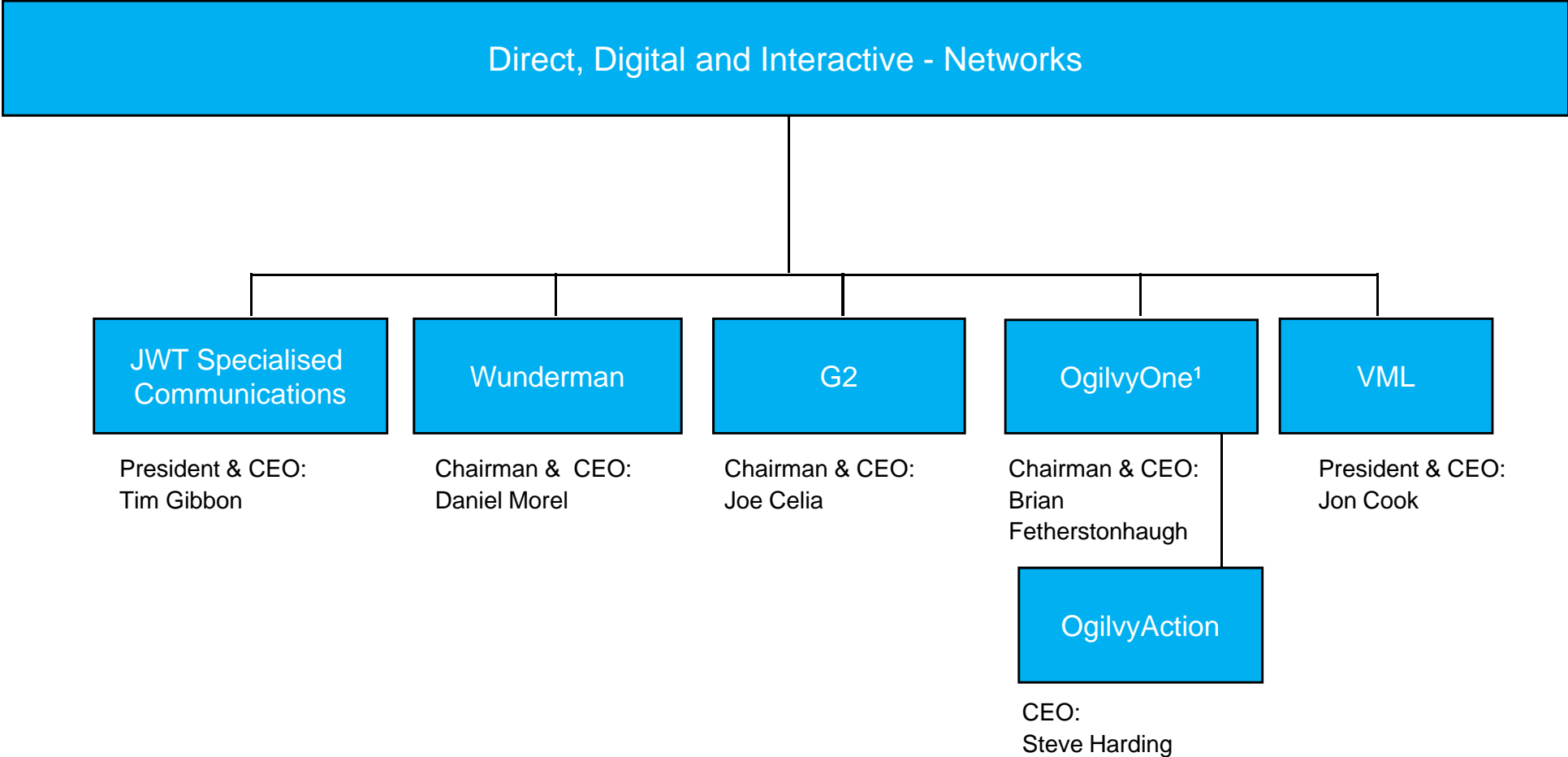
WPP Today



WPP Today



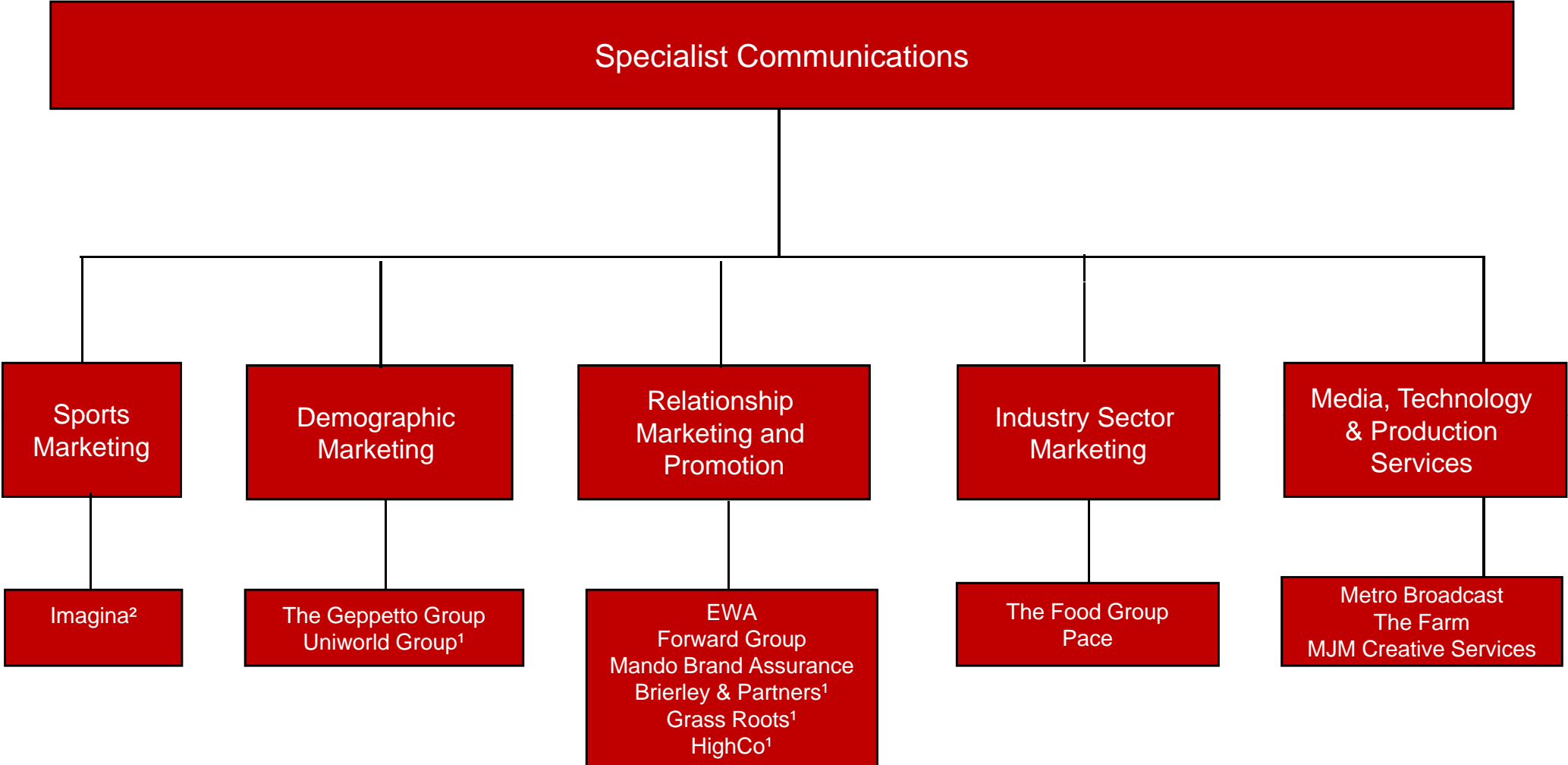
WPP Today



¹ Includes Neo@Ogilvy



WPP Today

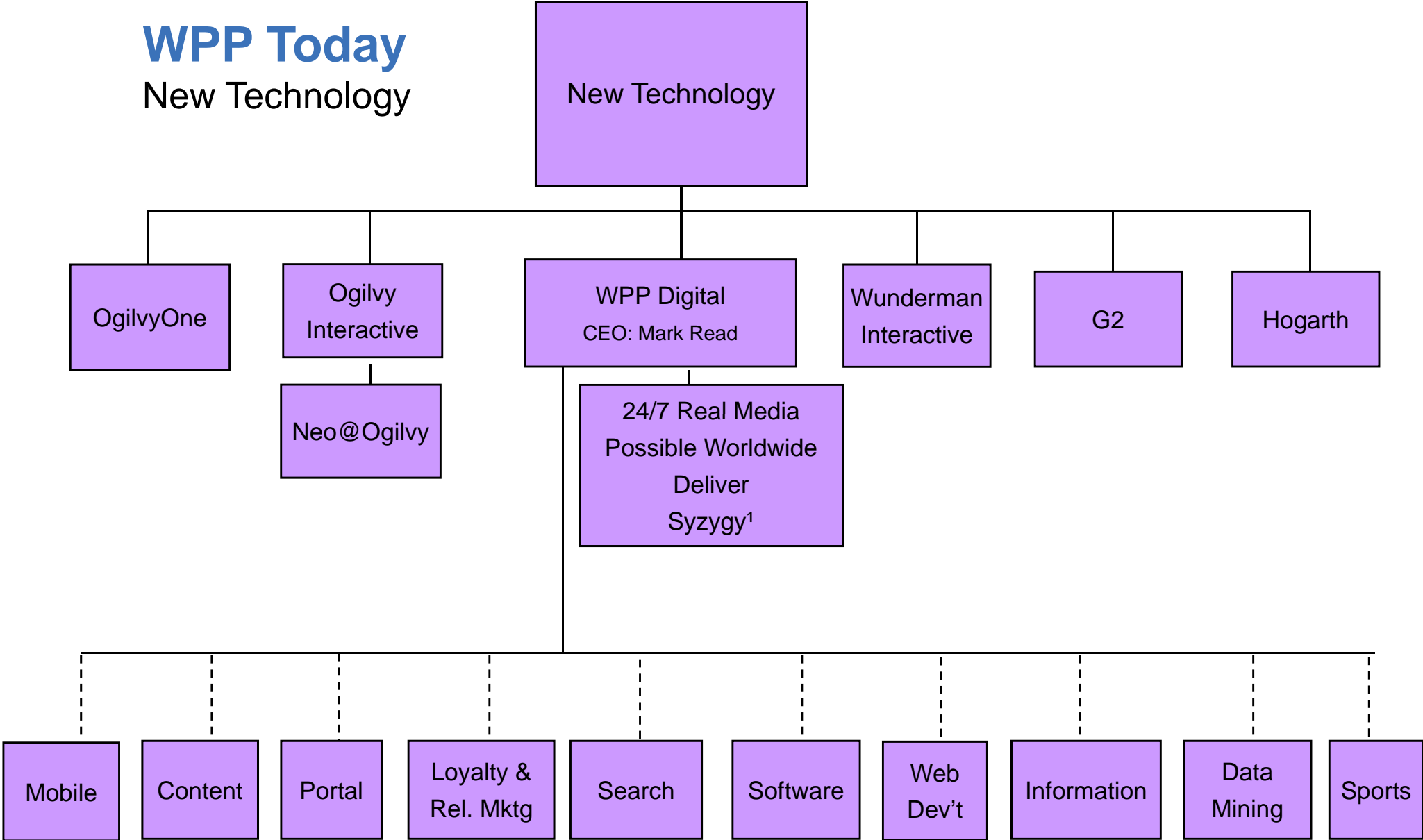


¹ Associate company
² Investment



WPP Today

New Technology



¹ Associate company.

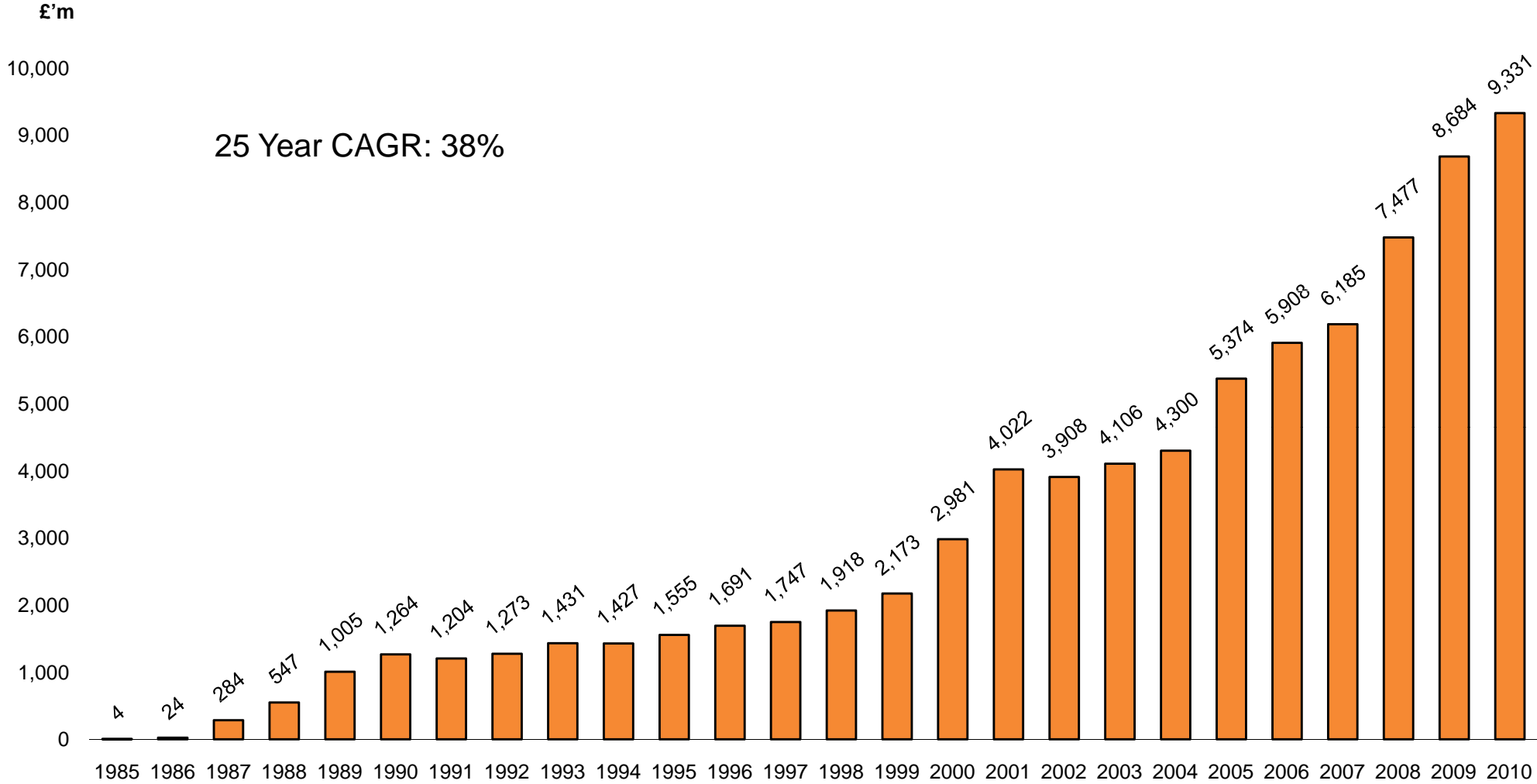


6 25 Year History (Hard Copy Only)



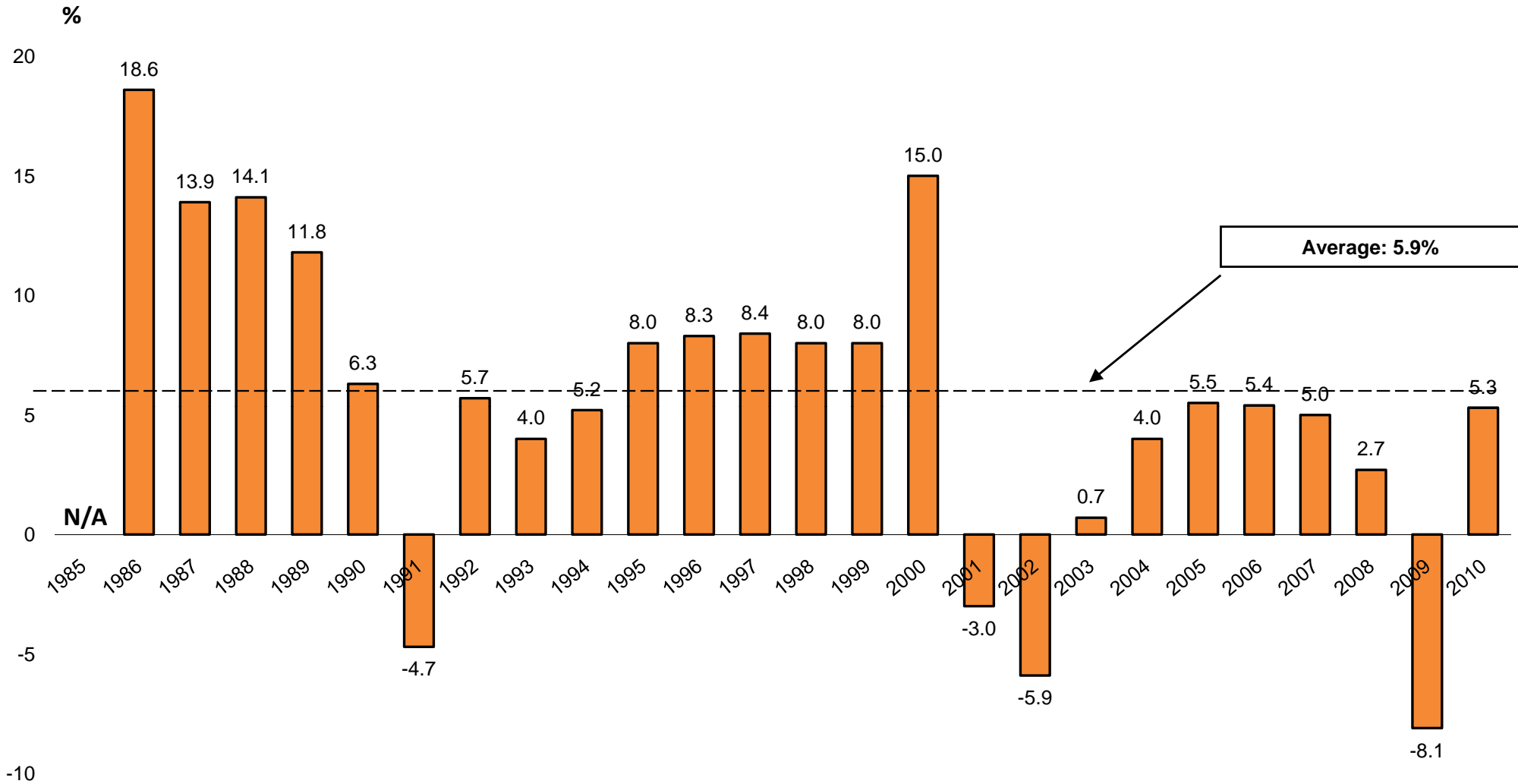
25 Year History

WPP Reported Revenue



25 Year History

WPP Organic Growth



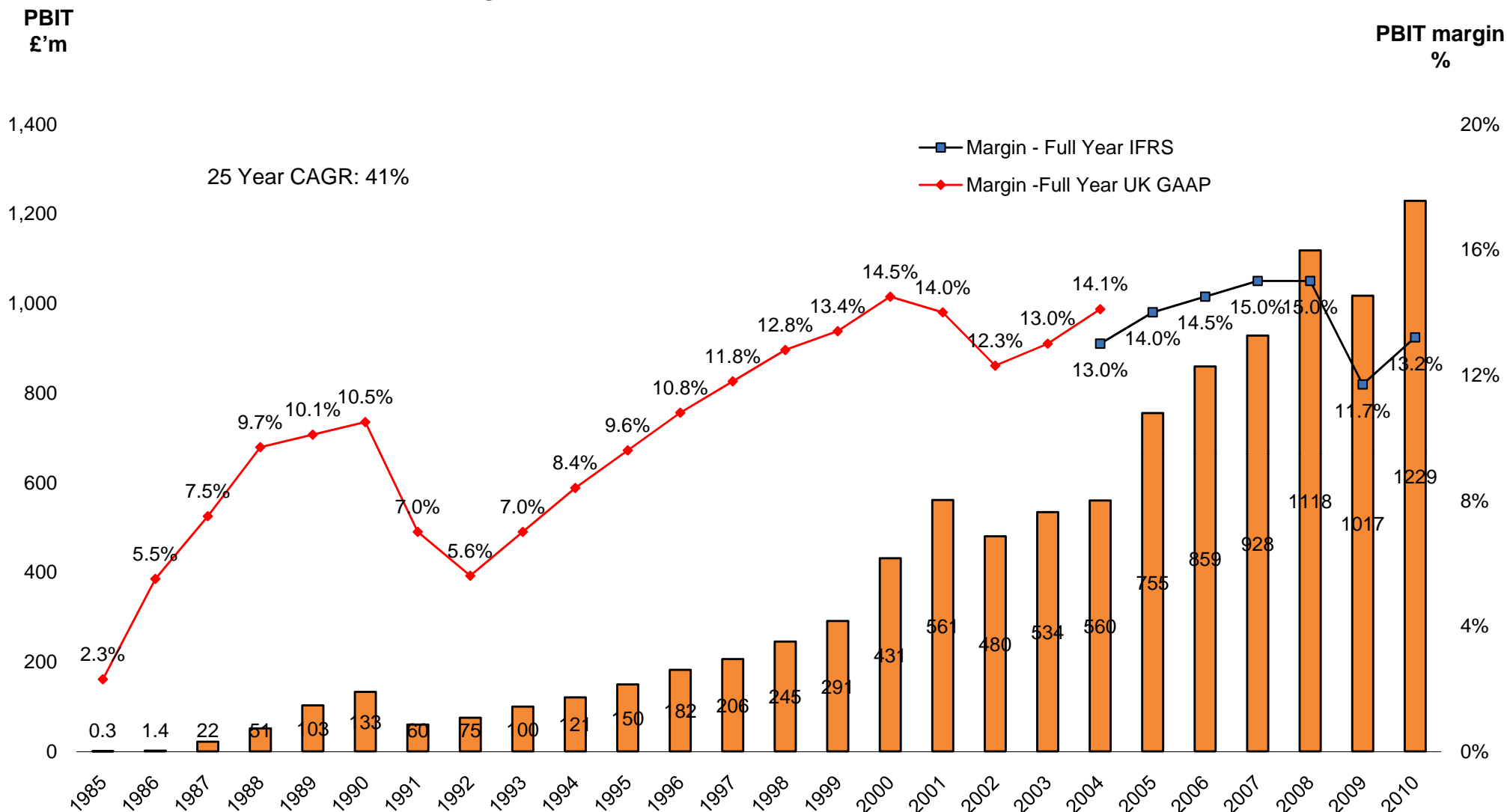
Average: 5.9%



Note
1. Estimates for 1985-1990

25 Year History

WPP PBIT¹ and Margins

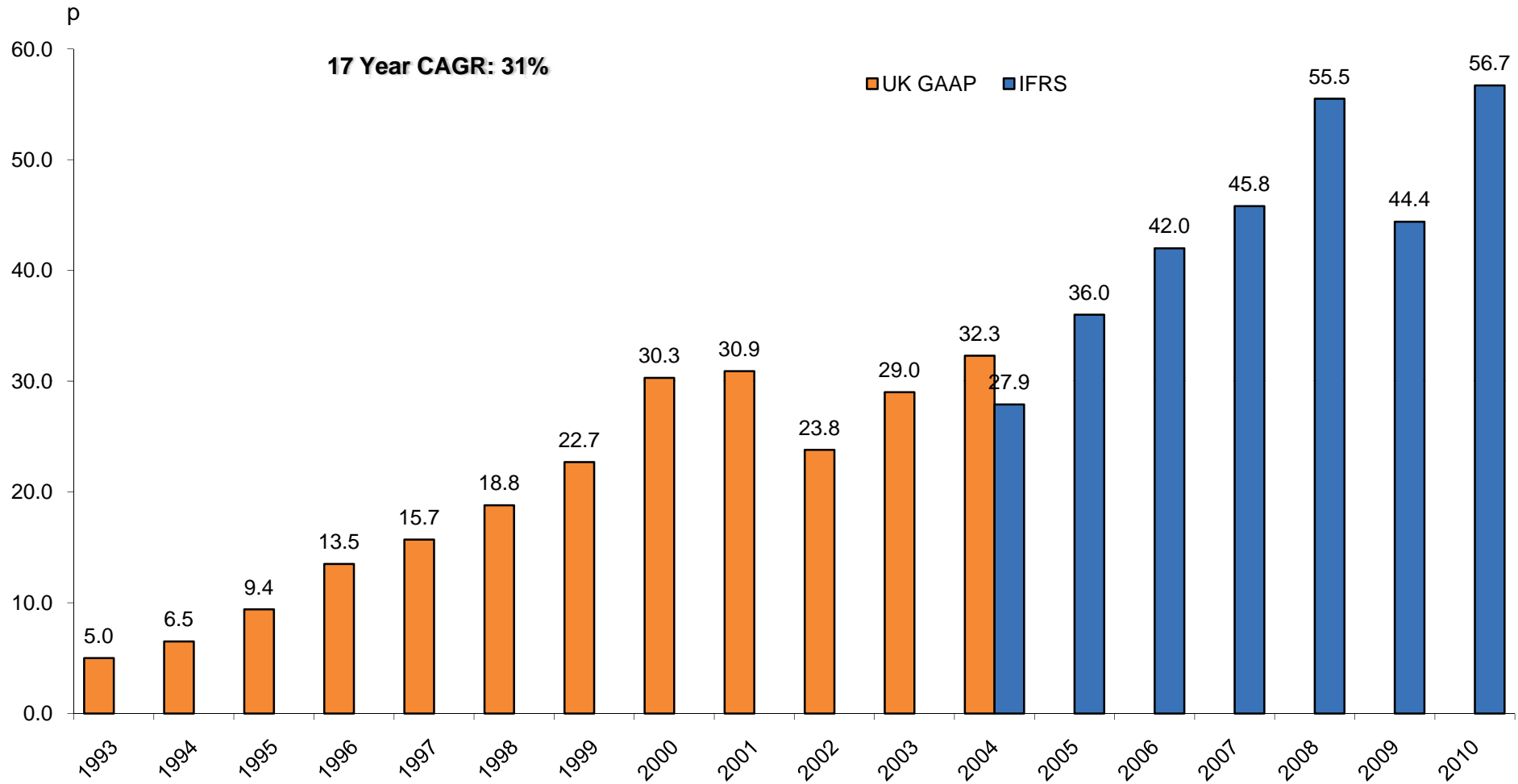


Note

- 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.

History

WPP Fully Diluted Headline EPS Post Rights Issue



Note

1. 1993 adjusted to reflect rights issue. Diluted earnings and diluted headline EPS

WPP

Results for 2010

London

March 2011

