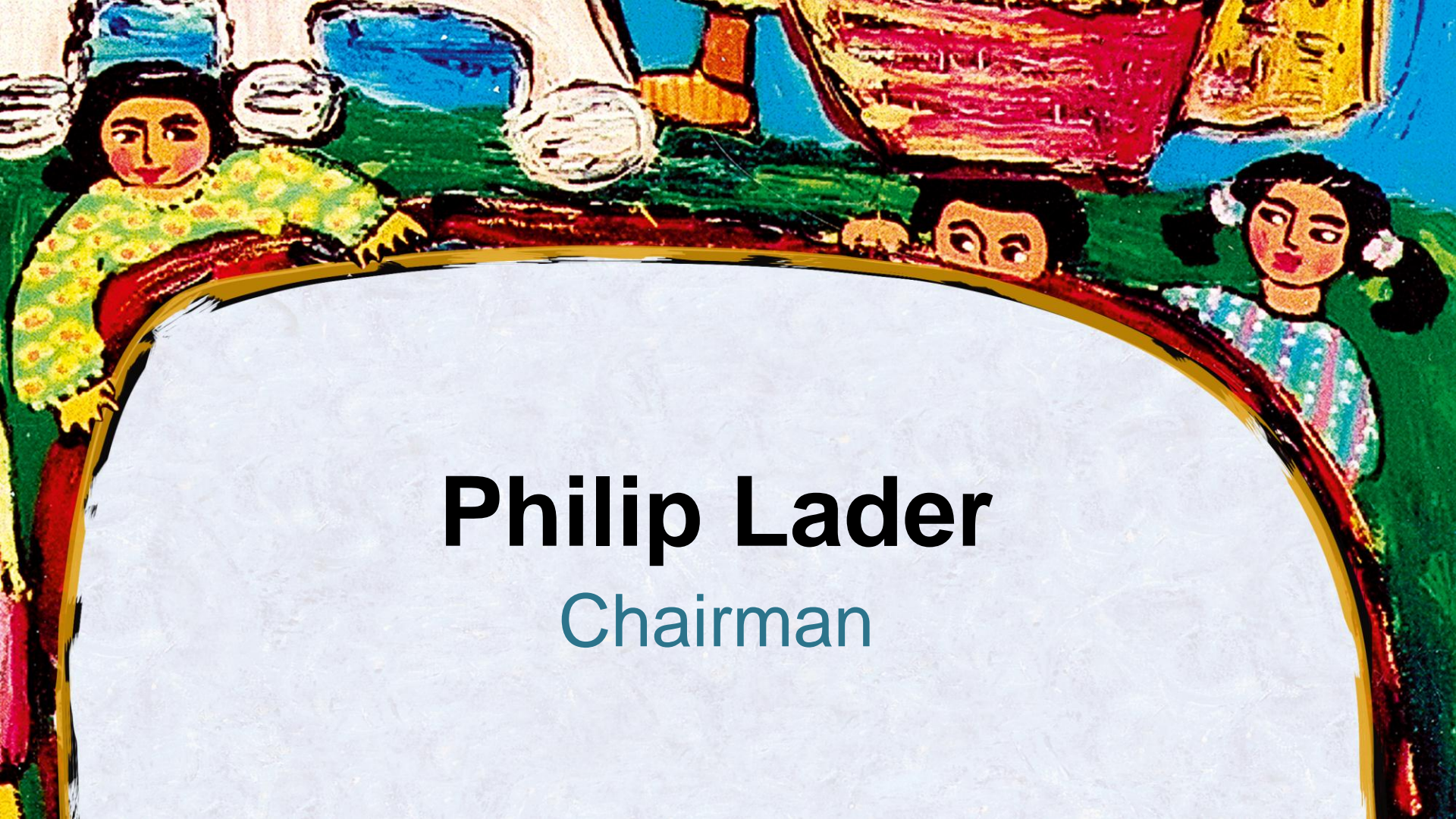


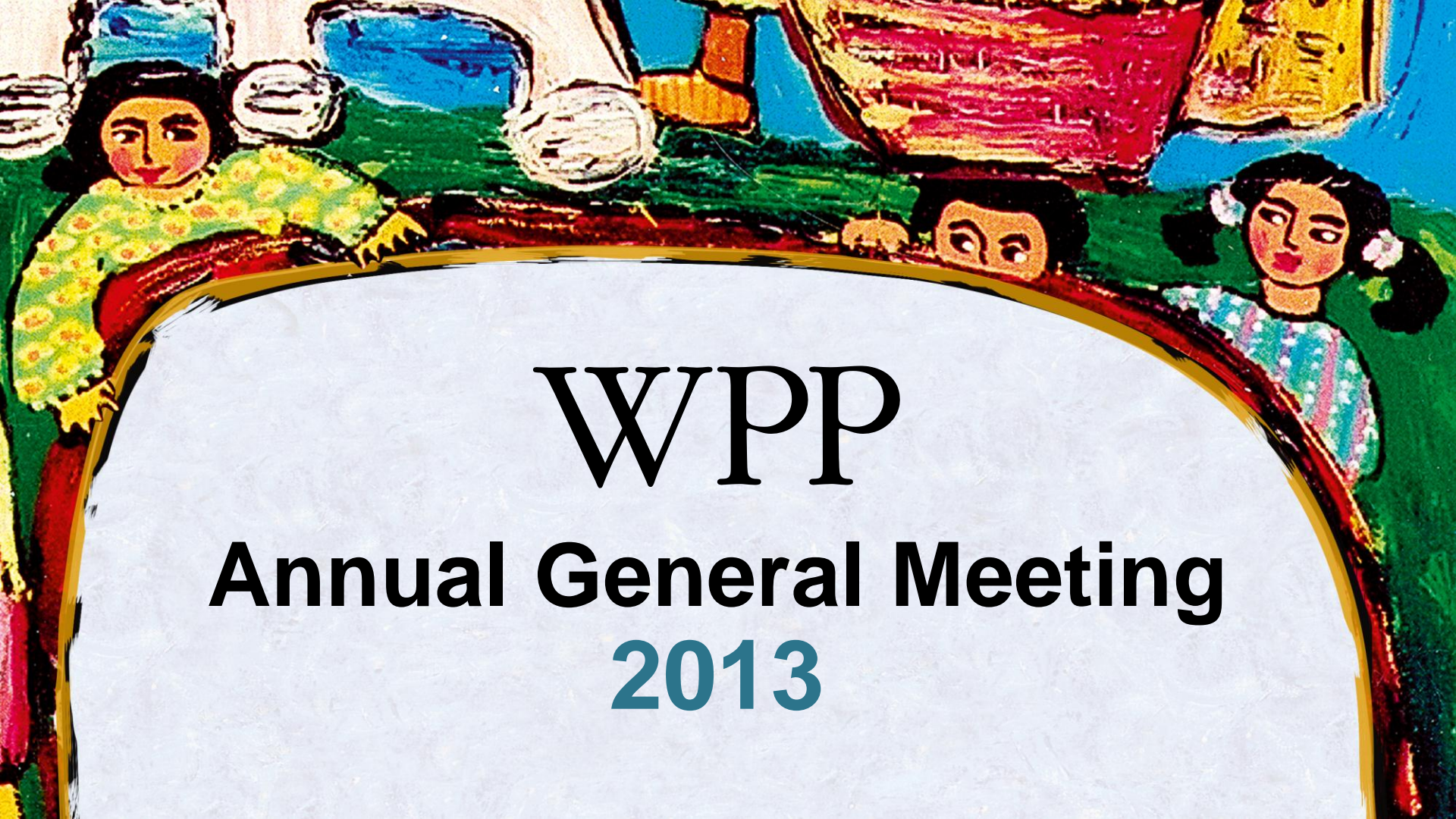
WPP

Annual General Meeting
2013



Philip Lader

Chairman



WPP

Annual General Meeting
2013

A vibrant, folk-art style illustration. In the foreground, a large white archway frames the text. Behind the arch, a woman on the left wears a yellow patterned shawl and a blue headscarf. To her right, a man's face peeks over the arch. On the far right, another woman in a blue and white patterned dress looks towards the center. The background features a large, colorful structure with red and yellow sections, and a blue sky with white clouds.

Sir Martin Sorrell

CEO, WPP

WPP Strategy

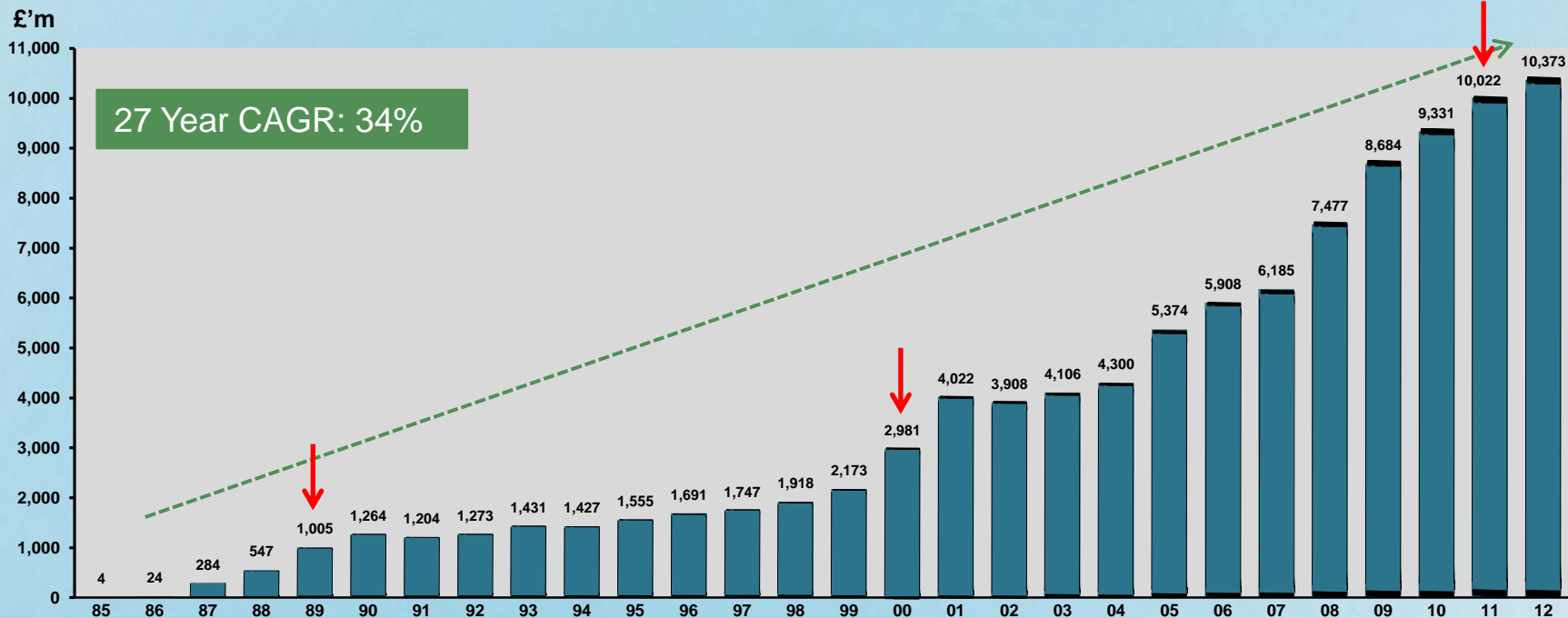
**Where
are we?**

**Where could
we be?**

**How do we
get there?**

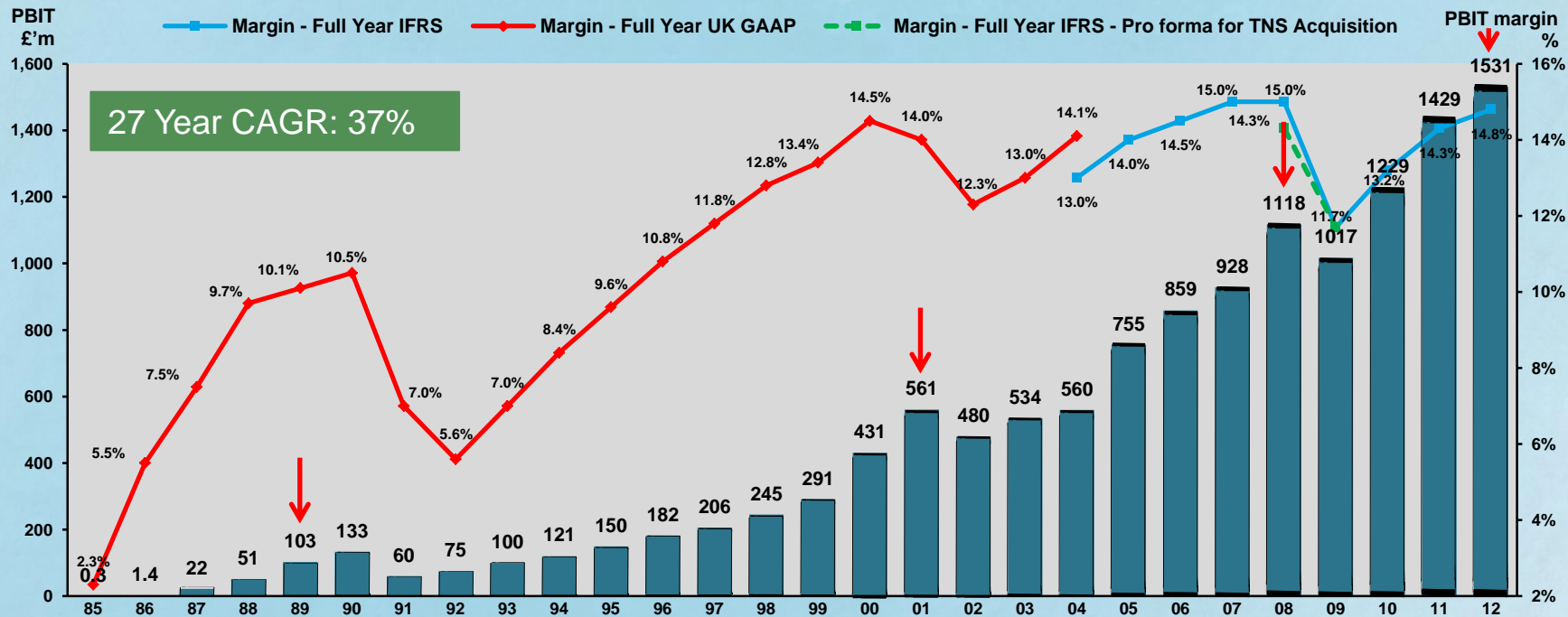
Where are we?

27 Year History – Revenue



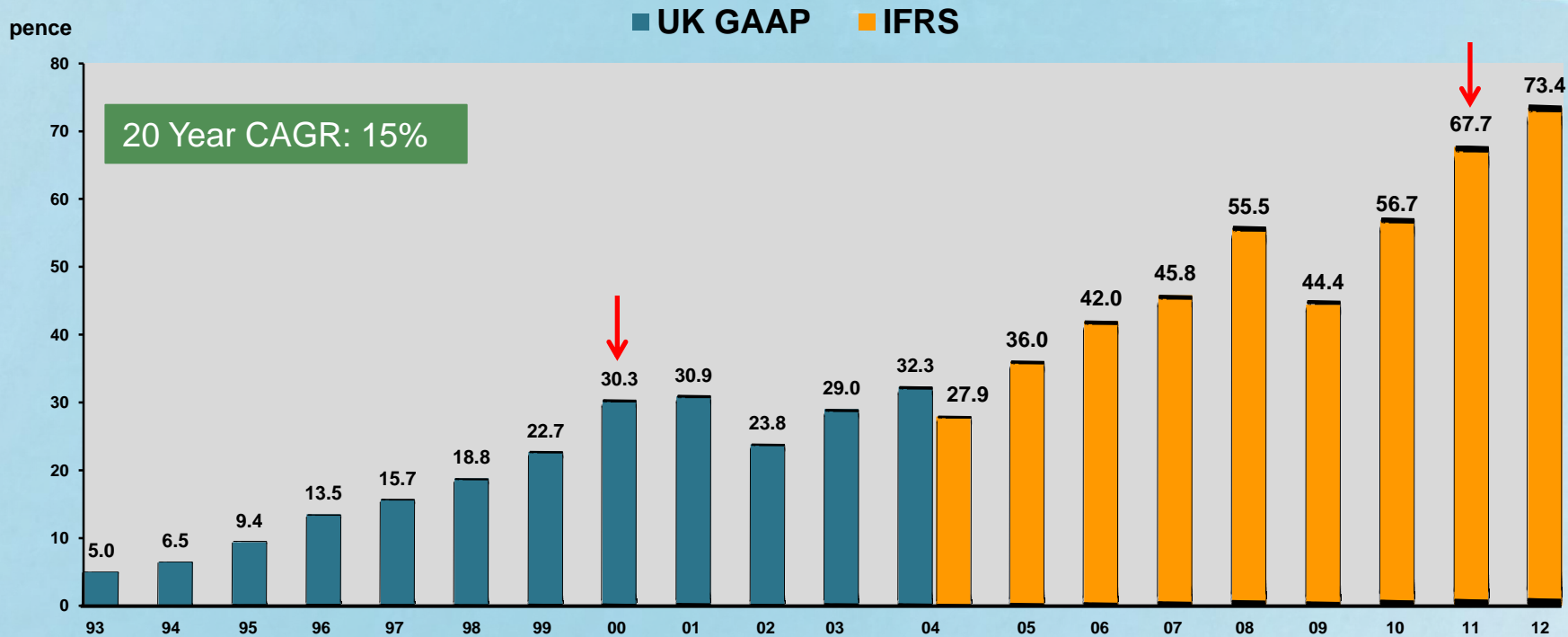
Where are we?

27 Year History – PBIT and Margins



Where are we?

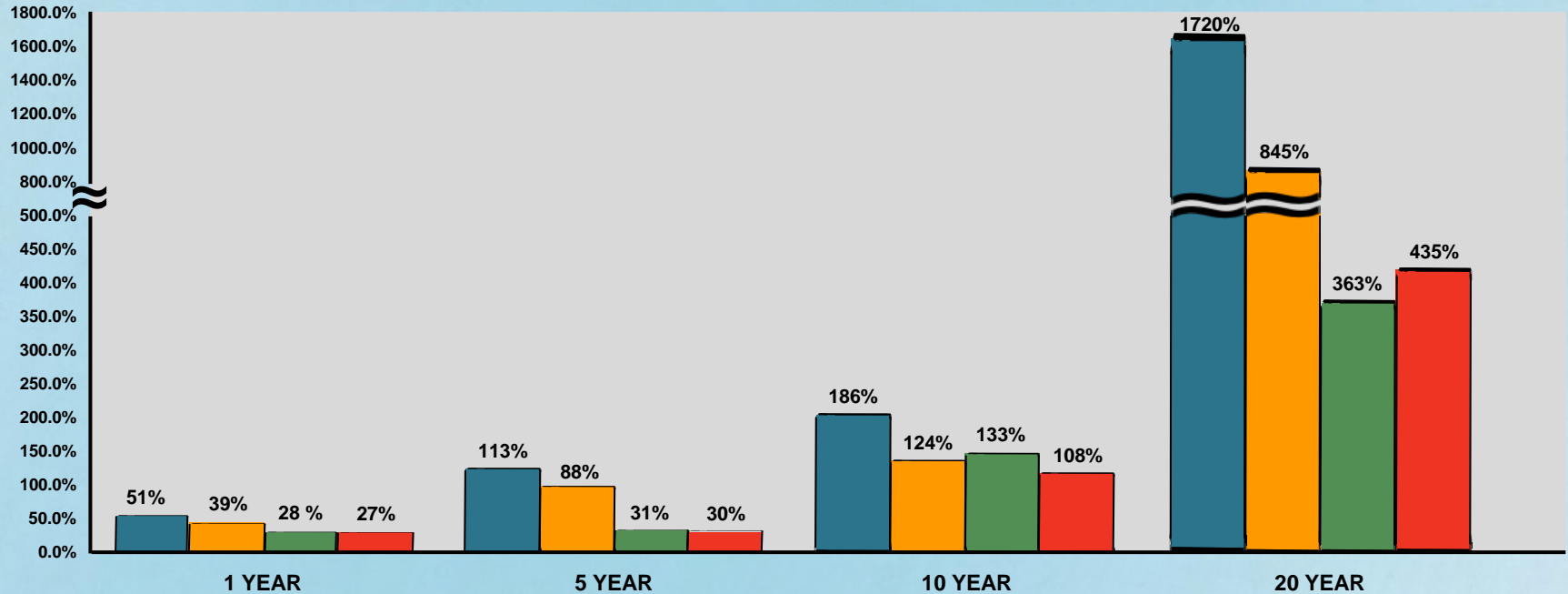
20 Year History – EPS



Where are we? - TSR Performance

Outperformed peer group, FTSE 100 and S&P 500

■ WPP ■ Peer Avg ■ FTSE 100 ■ S&P 500



Where are we?

1985	=	2013
£1,000 invested in WPP	=	£41,500
£1,000 invested in FTSE	=	£3,860
\$1,000 invested in WPP	=	\$61,250
\$1,000 invested in S&P 500	=	\$7,600

Where could we be?

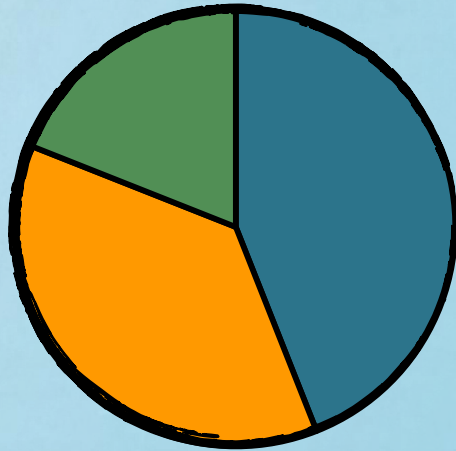
Strategic Priorities

- New markets
- New media
- Consumer insight, including application of technology and big data
- 'Horizontality' and creativity

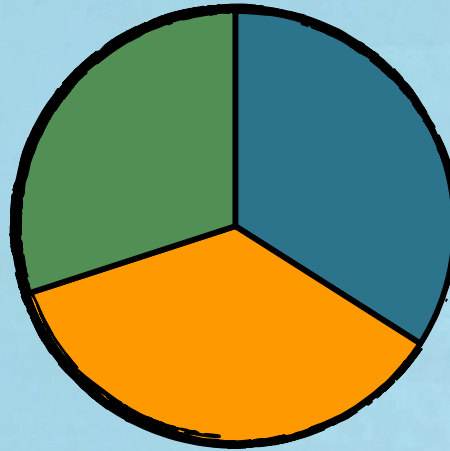
Where could we be? - New Markets

Target 35% - 40%

2002 - 19%



2012 - 30% (37%)



Tomorrow - 38%



North America

UK & Western Continental Europe

Asia Pacific, Latin America, Africa
& Middle East, Central & Eastern Europe

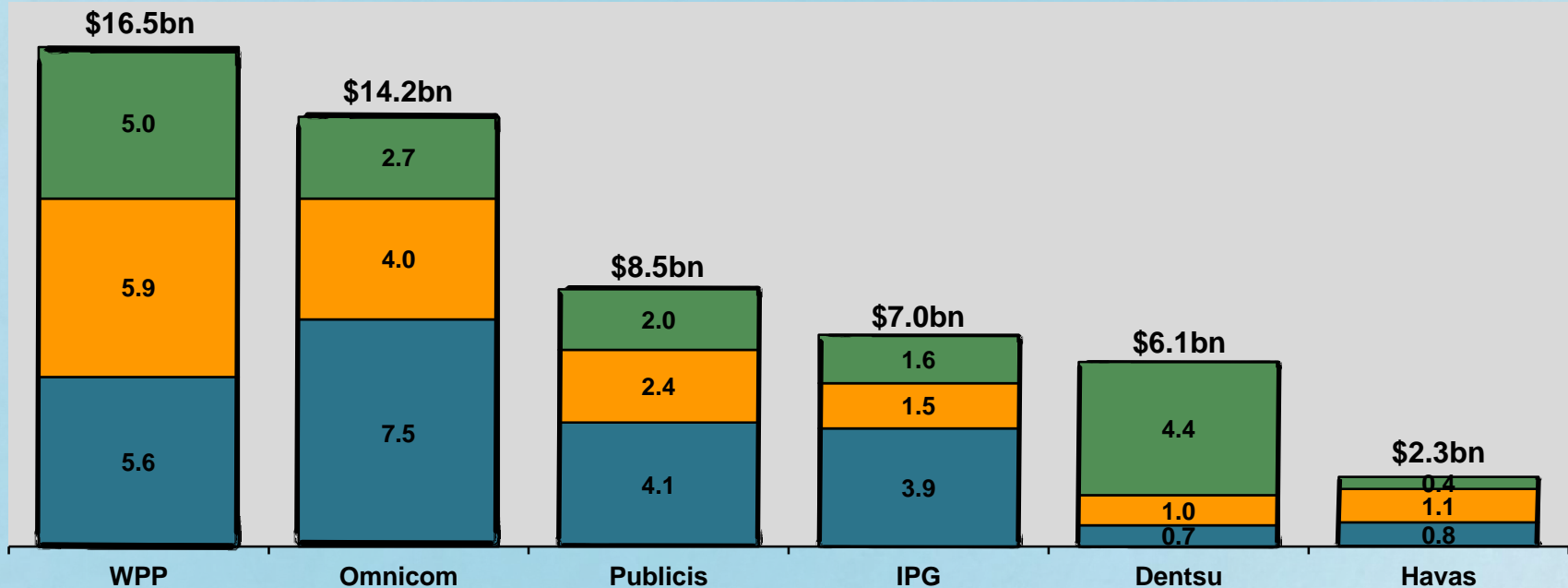
Where could we be? - New Markets

2012 Revenue by Geography

■ Asia Pacific, Latin America, Africa & Middle East, CEE

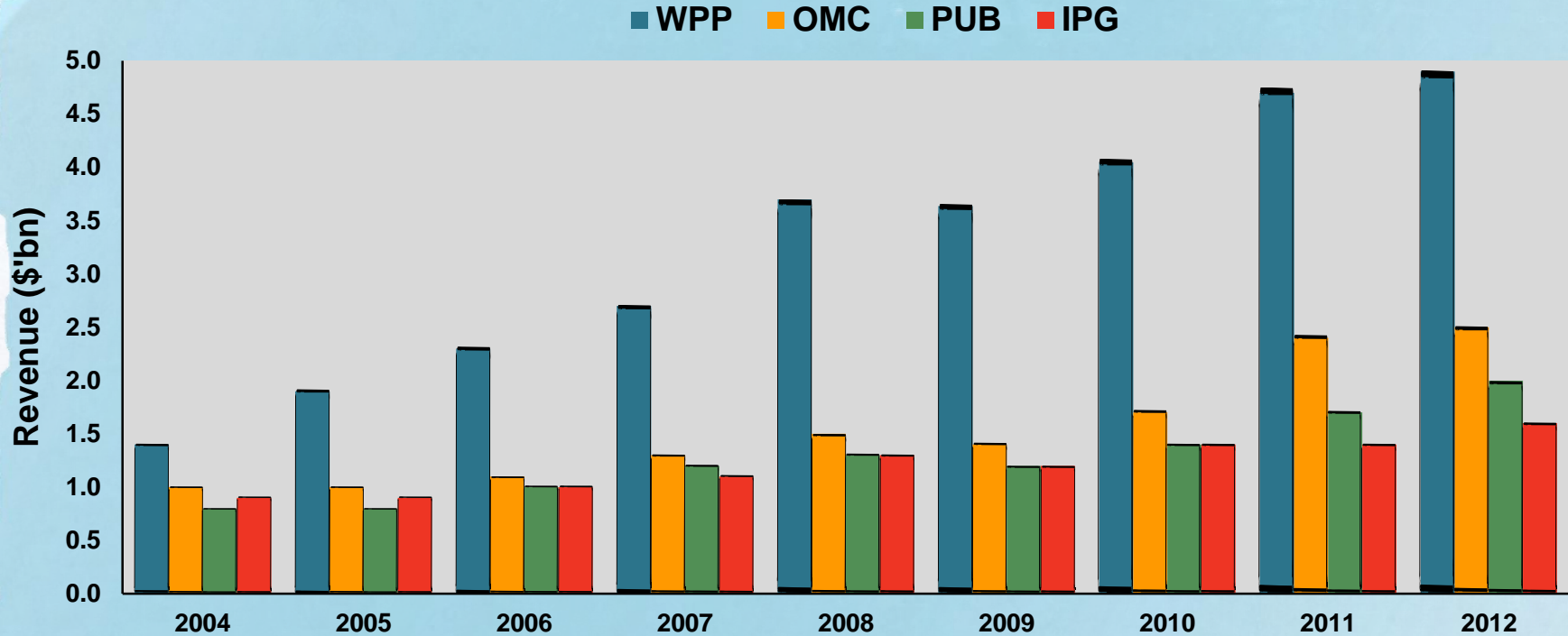
■ Western Europe

■ N America



Where could we be? - New Markets

Strategy of growth in faster growing markets widened gap against competition

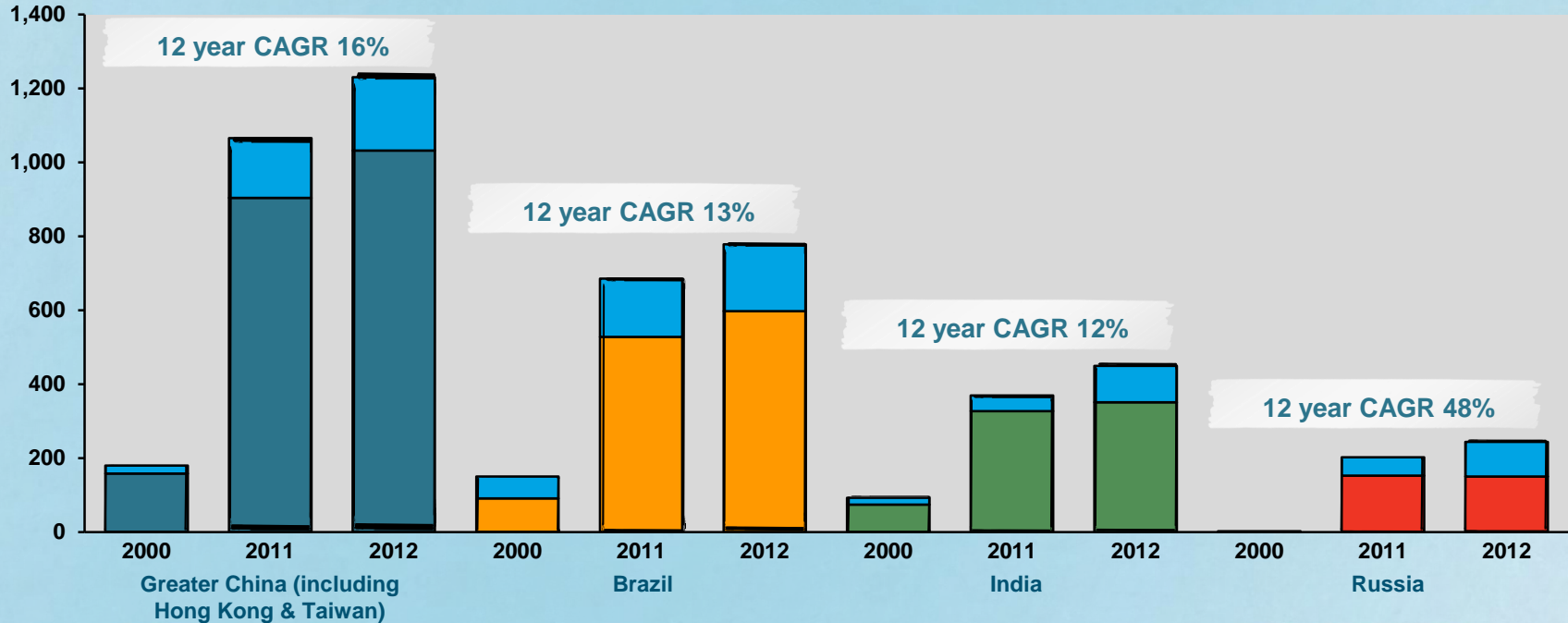


Where could we be? - New Markets

Growth driven by strong performance in BRIC markets

Revenue \$'m

Associates @ 100%

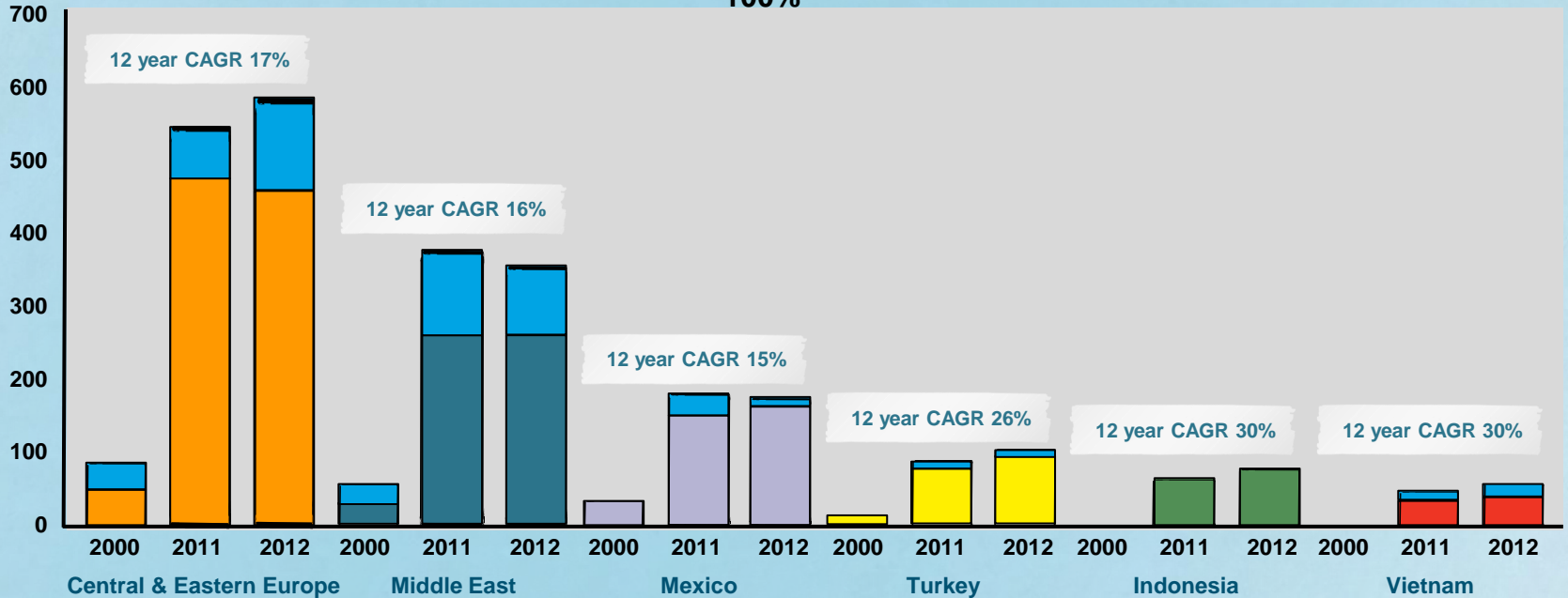


Where could we be? - New Markets

And in other faster growing markets

Revenue \$'m

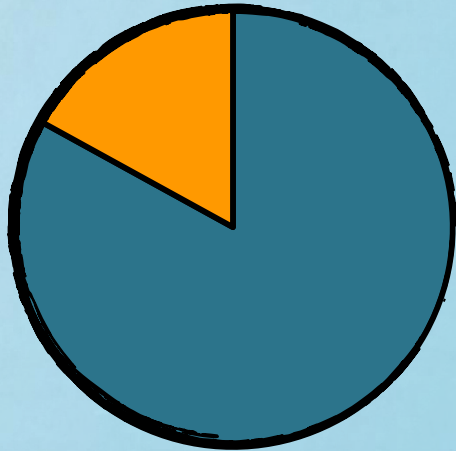
Associates @
100%



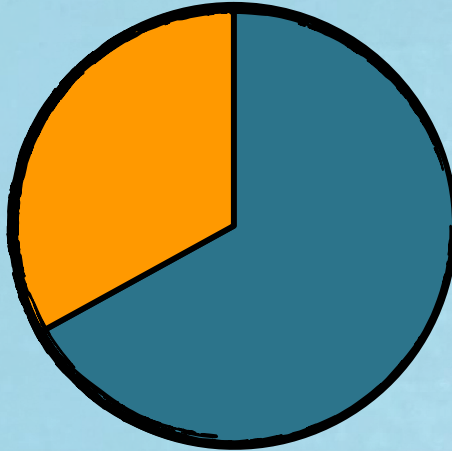
Where could we be? - New Media

Target 35% - 40%

2002 - 17%



2012 - 33% (33%)



Tomorrow - 38%



■ Traditional Media ■ New Media

Where could we be?

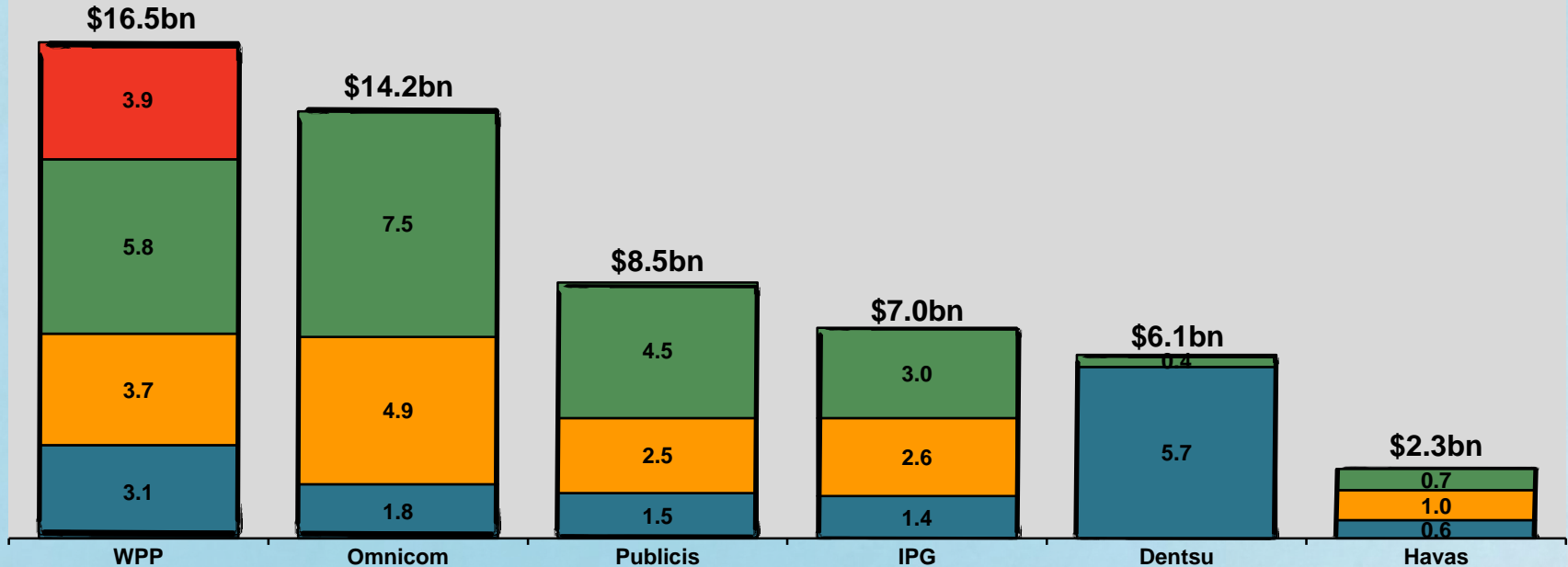
WPP is 7th biggest digital media company in world

Position	Company Name	Sector	Digital Revenue (\$bn)
1	Google	Search	\$36.4
2	China Mobile	Telco	\$7.6
3	Bloomberg	Business information	\$7.0
4	Reed Elsevier	Business information	\$5.9
5	Apple	Diversified	\$5.4
6	Yahoo	Diversified	\$5.0
7	WPP	Advertising	\$4.7
8	Thomson Reuters	Business information	\$4.7
9	Tencent	Diversified	\$4.5
10	Microsoft	Diversified	\$3.9
11	Facebook	Social networks	\$3.7
12	Sony	Diversified	\$3.7
13	Pearson	Business information	\$3.1
14	Dentsu	Advertising	\$2.9
15	Omnicom Group	Advertising	\$2.8
16	China Telecom	Telco	\$2.7
17	Baidu	Search	\$2.3
18	Publicis Groupe	Advertising	\$2.2
19	Netflix	Video	\$2.0
20	News Corp	Diversified	\$1.9

Where could we be? - New Media

2012 Revenue by Discipline

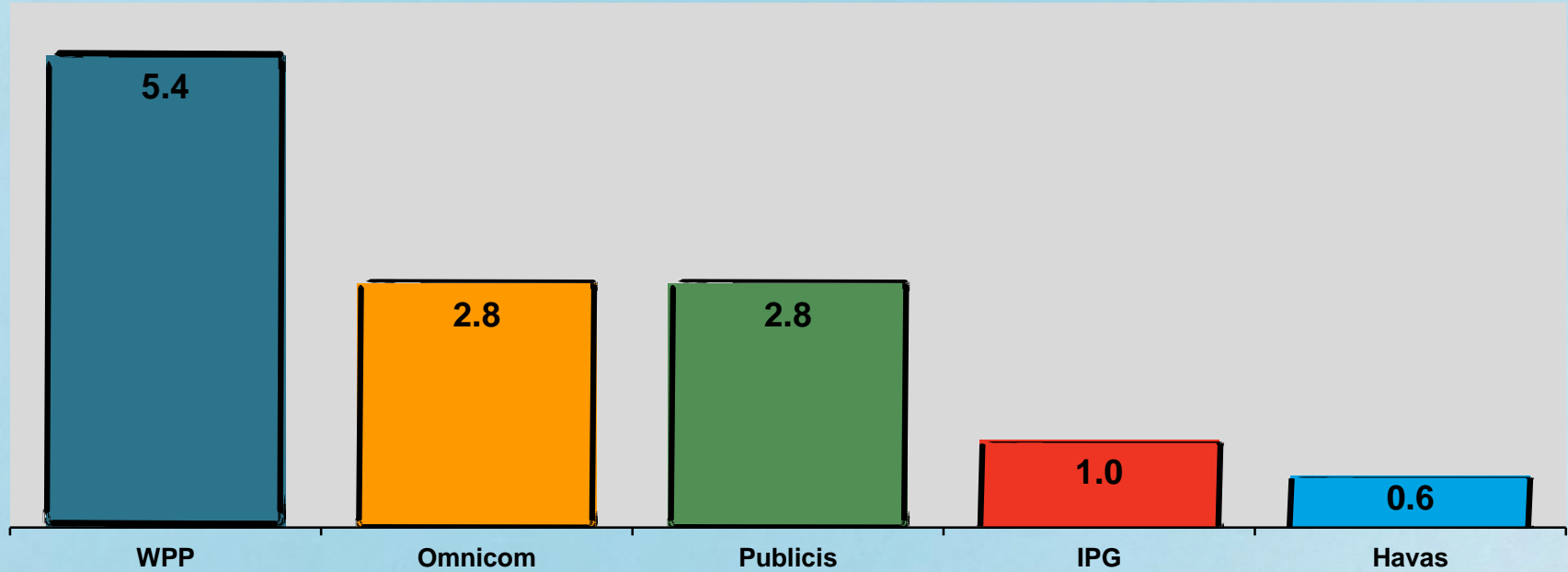
■ Consumer Insight ■ Marketing Services ■ Advertising ■ Media



Where could we be?

Digital in all our businesses - global scale and quality

Digital Revenues (\$bn – 2012 full year)



Where could we be?

7 key areas

Search

Display

Video

Social

Mobile

eCommerce

Data

Where could we be?

Strong relationships with global new media owners



>1B accounts



>1B monthly unique
visitors



400M users



360M active users



200M active users



200M
members



110M
registered
users



100M users









Where could we be?

WPP's Digital Strategy

Digital Everywhere	Need for “traditional” businesses to embrace digital faster
Exploit New Opportunities	Need for digital businesses to grow faster
Partner with Digital Leaders	Investments to explore new digital opportunities through mergers, acquisitions, collaborations, acting as strategic venture capitalist eg Buddy Media, Omniture, SFX Entertainment, VICE Media

Where could we be?

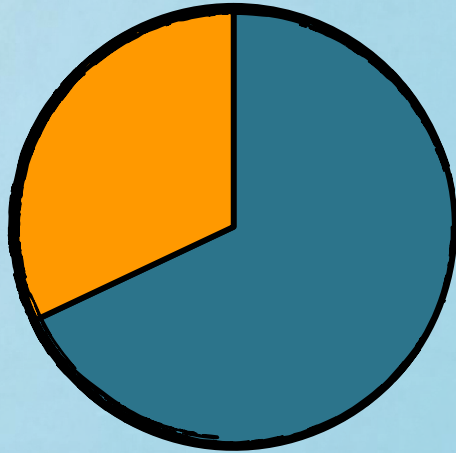
Strong global digital businesses - 4 out of 7 Forrester's digital leaders

Network	2012 Revenue \$'m	People
 (F)	1,000	6,500
 (F)	950	6,500
  	350	1,000
	300	2,000
 (F)	200	1,000
POSSIBLE	150	1,000
 (F)	150	1,000

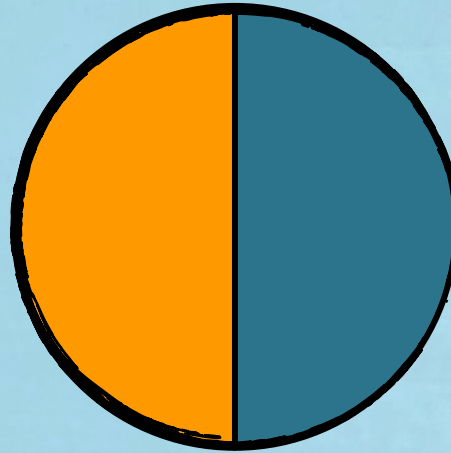
Where could we be?

Quantitative - Consumer Insight

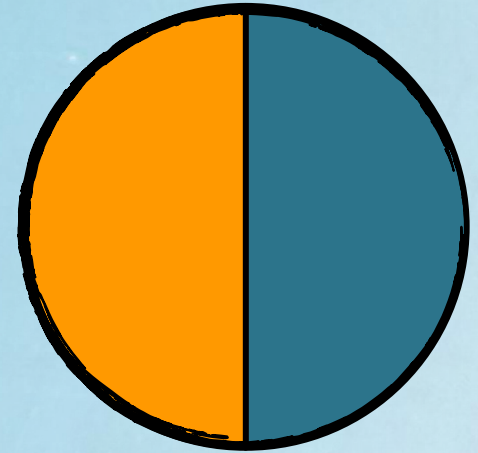
2002 - 32%



2012 - 50% (48%)



Tomorrow - 50%



■ Qualitative ■ Quantitative

Where could we be? - Consumer Insight

Strategic Advantage

- Marketing more data driven
- Clients need simplified, better utilisation of existing data and help managing explosion of data
- Digital campaigns driven by data analytics and feedback
- Ability to provide continuous updated data in real time
- WPP's unique combination of assets in research, audience measurement, data management and digital media - really **data investment management**



- X AXIS
- ADDEDVALUE
- STUDIOCOM
- bluestate digital
- rock (f)isi
- BDG architecture+design
- SMOLLAN Headcourt
- Burson-Marsteller
- tenthavenue
- wing
- JWT
- KANTAR
- YOUNG & RUBICAM GROUP
- THE WORTHINGTON COMPANY
- The Brand Union
- Ogilvy & Mather Advertising
- WPP Digital
- KANTAR ULTRADROPANEL
- HILL+KNOWLTON STRATEGIES
- MEDIACOM People first, better results
- groupm
- Y&R
- RLM FINSBURY
- GREY
- HS Ad
- Team Detroit
- Fbiz
- Landor
- addison
- BATES CHI&PARTNERS
- PRIME
- red dot square
- POSSIBLE
- BANNER
- Globant we are ready
- GREY group
- farm
- CHI&PARTNERS
- A. Eicoff & Company
- AKQA
- CommonHealth Worldwide
- neo@Ogilvy
- these days
- acceleration
- Joule
- spafax
- TAXI
- HILL+KNOWLTON STRATEGIES
- SCANGROUP
- actis* wunderman
- BR/VO
- KANTAR operations
- ICONMOBILE
- FITCH
- HERING SCHUPPENER
- cohn&wolfe
- KANTAR MEDIA
- Wexler & Walker public policy associates
- metro
- TAPSA
- Y&R
- Mando
- KANTAR RETAIL
- group
- IMRB
- CHIME
- CENTER|PARTNERS
- Lambie-Nairn
- quisma
- aaqo
- DSG DEWEYSQUAREGROUP
- MillwardBrown
- heath.wallace
- roy keshavan
- DIGIT
- uwg
- VML
- kinetic
- H*ART
- BARROWS Retail Marketing Specialists
- argonauten.G2
- QGA PUBLIC AFFAIRS
- ADK
- THE UNITED NETWORK
- *S,C,P,F...
- ghg
- the futures company
- SMOLLANGROUP
- clarion
- COLEY PORTER BELL
- ieq.
- Blue Hive
- THE PARTNERS
- JOHANNES LEONARDO
- maxus
- RTC
- the food group
- the food group
- MEDIA INNOVATION GROUP
- KANTAR-HEALTH
- GPG
- KASSIUS
- dialogue
- SOHO SQUARE
- wunderman
- briarley+partners
- dovetail
- OgilvyOne worldwide
- K&L Advertising
- TNS
- Highfive
- SUDLER|HENNESSEY
- CATALYST
- G2
- SANTO
- KBM GROUP
- PBN HILL+KNOWLTON STRATEGIES
- XM
- OUTRIDER
- MINDSHARE
- designkitchen
- burrows
- PENN SCHONEN BERLAND
- Buchanan
- ohal: defining analytics
- THE STORE
- Dentsu Y&R
- HOGARTH
- Mjm
- GRASS ROOTS
- get health at DCI
- Deliver
- FORWARD
- Peclers Paris fashioning the future
- Ogilvy Primary Contact
- ALLIANCE
- 24/7 MEDIA
- AGENDA

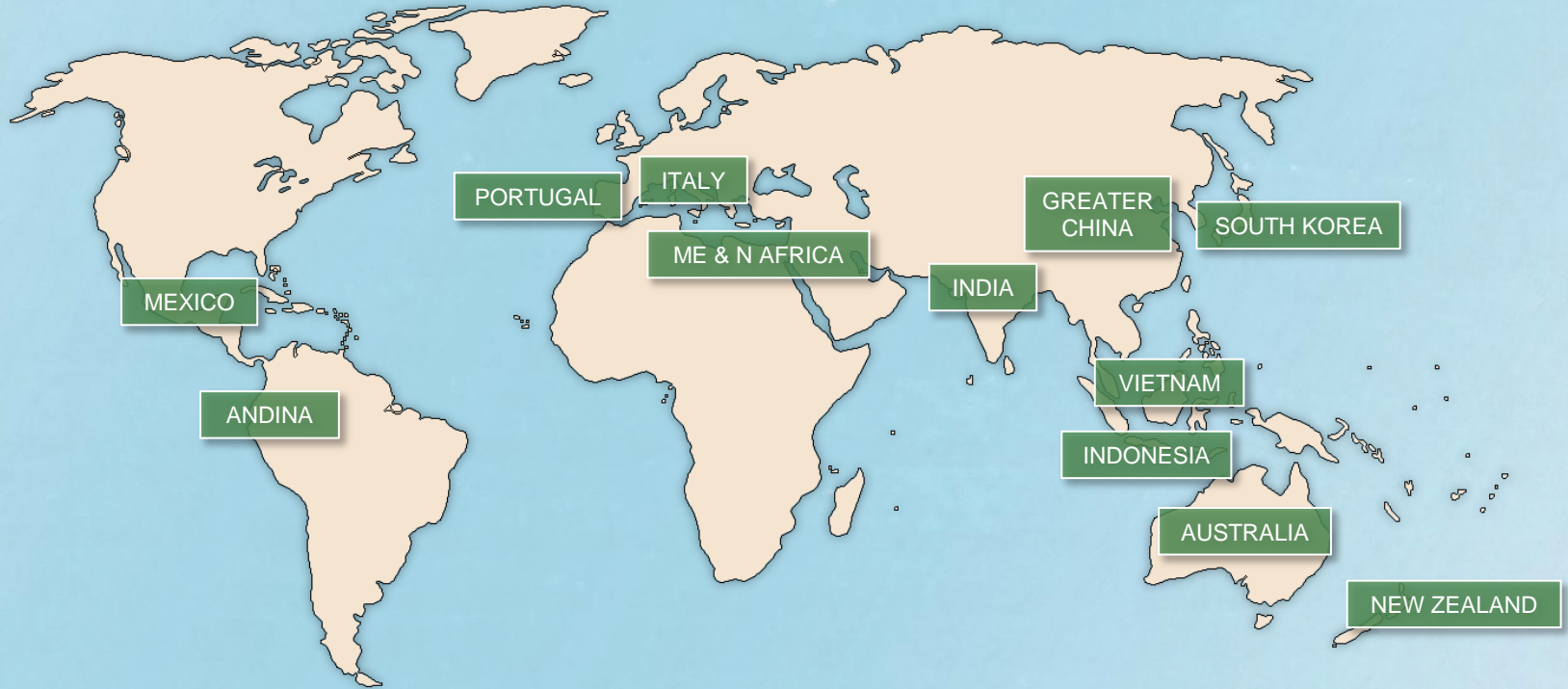
Where could we be? - 'Horizontality'

30+ Account Teams – over 35,000 of our people work on these clients



Where could we be? - 'Horizontality'

Country Managers – people, clients, acquisitions



Where could we be? - 'Horizontality'

- Ensure people work across businesses and geographies to deliver best resources to clients
- Deliver specialist skills (eg digital, shopper, analytics, sustainability, internal communications and media and entertainment) to clients irrespective of lead agency
- Focus on client needs and business issues
- Recent Team wins - Bank of America, IHG, News Corp, MillerCoors, Team Chemistry (J&J) and Team Pfizer

How do we get there? - Financial Model

- Revenue growth in line with the market (0% - 5%)
- Operating margin up 0.5 margin points each year
- PBIT growth of 5% - 10% per annum
- Use of free cash flow to repay debt and small to mid-sized acquisitions up to approx £300m - £400m
- Target EPS growth of 10% - 15% per annum

How do we get there?

We continue to focus on our key objectives

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

How do we get there?

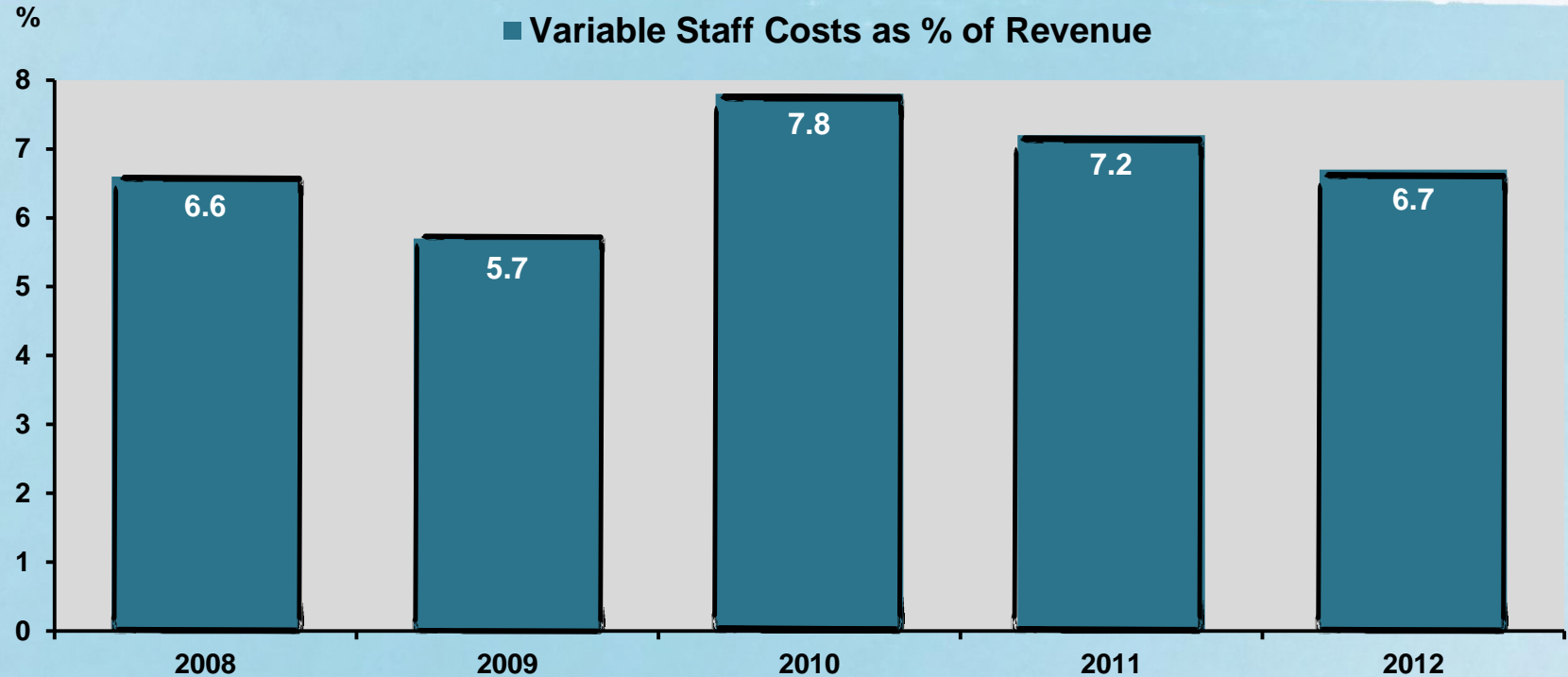
Improving Operating Margins

Operational Efficiencies

- Sharpened focus
- Shared service centres
- Offshoring
- Consolidation of IT infrastructure
- To deliver in excess of 1.0 margin point
- 3-5 years to deliver full benefit

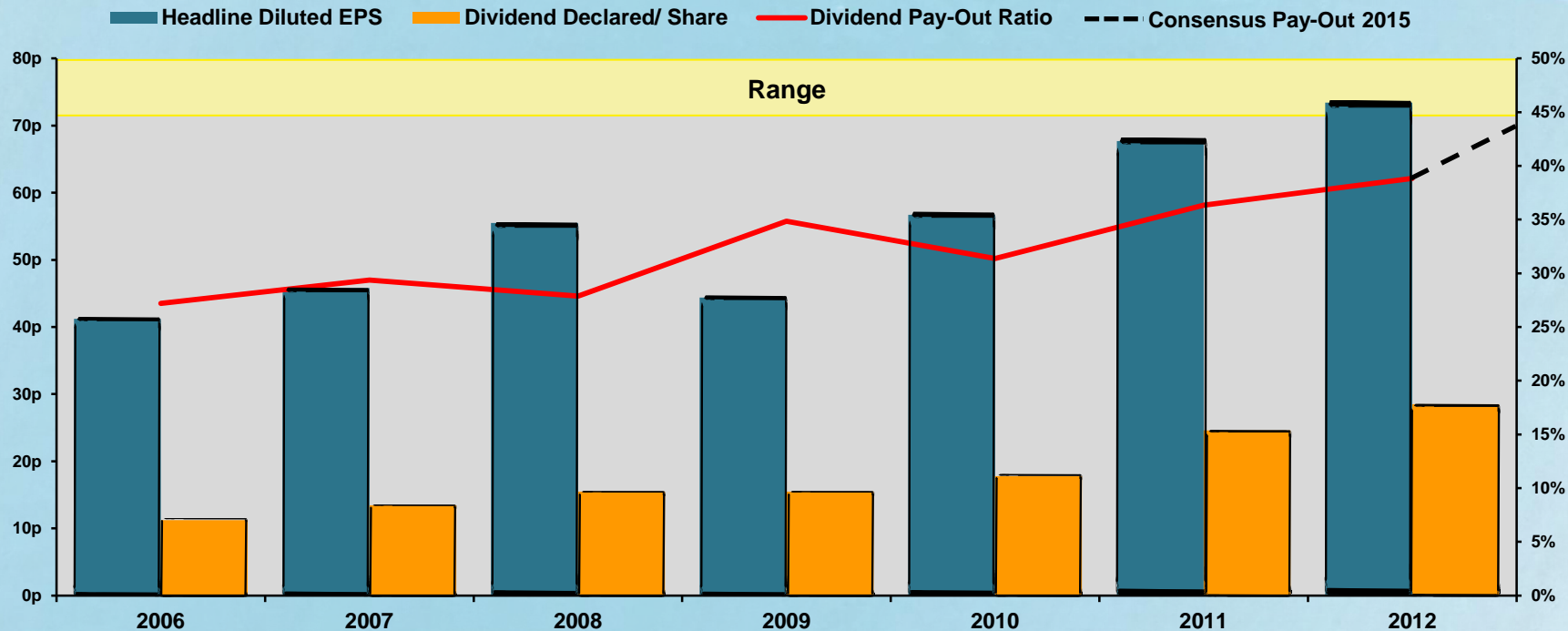
How do we get there?

Increasing flexibility in cost base - change in variable costs



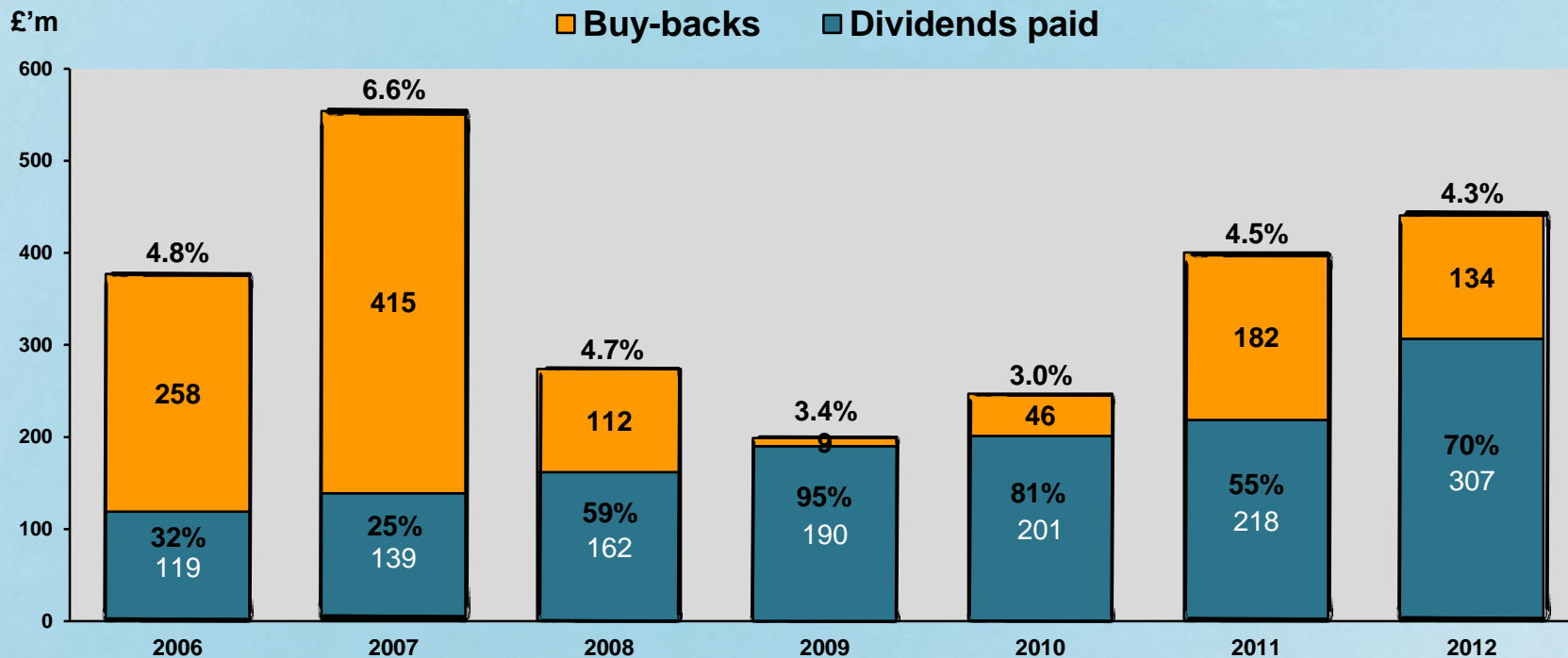
How do we get there?

Using free cash flow to enhance dividend pay-out ratio



How do we get there?

Using free cash flow to enhance share owner value



How do we get there?

Using free cash flow for acquisitions

- Significant pipeline of small and medium-sized acquisitions.
- Focus on the faster growing geographical areas and marketing services
- 65 acquisitions completed in 2012
- Acquisitions in advertising to address specific needs
- Opportunities at earnings enhancing multiples, particularly outside the USA, except Brazil and India

How do we get there?

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

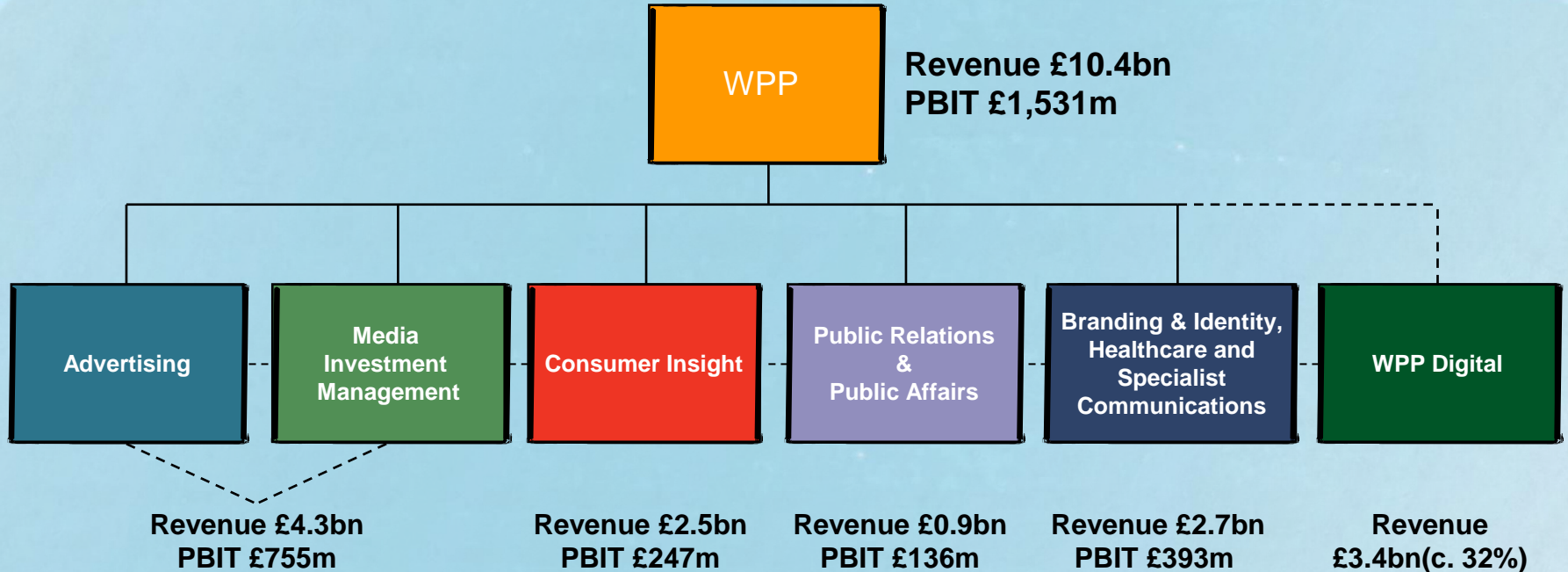
Outlook

- 3% revenue growth budgeted 2013. Stronger in faster growing geographical markets and in media investment management and digital
- First 4 months of 2013 like-for-like growth well over 2%, similar pattern to Q4 2012
- Well positioned with headcount flat over 2012 and steps taken to address structural issues
- Pre-bonus margin improvement balanced by need to rebuild bonus pools – 2013 margin target of 0.5 margin point improvement in line with financial model
- Substantial cash flow to enhance earnings through acquisitions (estimated at £300m - £400m), dividend increases and share buy-backs

Conclusion

Group well placed to meet goals for 2013. Positioned strategically in new markets, new media and consumer insight, having taken steps to develop 'horizontality' and creativity and deal with tough environment in mature markets

WPP today



Revenue and PBIT figures are 2012 reported sterling actuals.