





WPP AUNZ ANNUAL GENERAL MEETING

2 May 2019

FINANCIAL REVIEW FULL YEAR 2018

Headline full year financial performance

- Net sales of \$857.3 million
- Headline EBIT of \$121.0 million
- Operating margin 14.1%
- Headline earnings per share of 8.4 cents

Mixed performance across the portfolio

- Growth in Media, Digital and Public Relations
- Global repositioning of VMLY&R and Wunderman Thompson

Strong cashflows and improved banking facilities

- New debt facilities of \$520 million with a syndicate of 5 banks
- Leverage ratio 1.9x within targeted range of 1.5x to 2.0x

Dividends

- Final dividend of 4.0 cents per share fully franked
- Total full year dividend of 6.3 cents (2017: 6.3 cents)
- Payout ratio 75% of headline earnings

OPERATIONAL OVERVIEW FULL YEAR 2018

WPP GLOBAL LEADERSHIP

- New global leadership with a clear direction for WPP – “a creative transformation company”
- Moving more quickly to respond to sector structural change; not structural decline
- Integrating agencies with complementary strengths to deliver clients a better team and outcome

POSITIONING WPP AUNZ FOR GROWTH

- Leadership changes
- Evolving services to better serve customer needs
- Wunderman Thompson - effective Q1 2019
- VMLY&R – effective Q1 2019
- Investment in WPP aligned businesses - Essence, Lightspeed
- Established Melbourne Campus, 15 companies – better collaboration

SIMPLIFYING

- Speeding up the rationalisation of the portfolio
- More clarity around offering to clients
- Taking quick action to remedy underperforming segments



OPERATIONAL LANDSCAPE FULL YEAR 2019

OUR INDUSTRY IS FACING STRUCTURAL CHANGE, NOT STRUCTURAL DECLINE

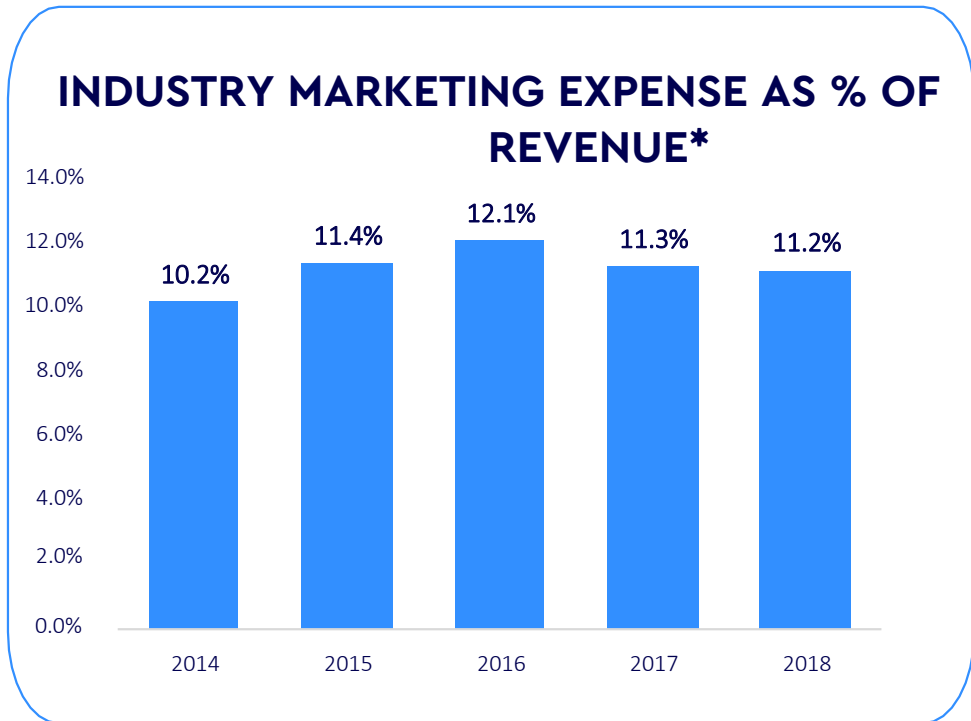
Key challenges

- Role of “traditional” creative agencies challenged
- Our clients are being disrupted
- Consultants competing for technology and talent
- Facebook, Google etc. vying for talent and attention
- Trust paramount

Legacy issues

- Clarify our vision and brand position
- Invest more in creativity and talent
- Make it simpler for clients to access our best resources
- Increase our investment in technology
- Simplify our structure, making WPP AUNZ easier to manage
- Make WPP AUNZ more efficient and effective

CLIENTS ARE NOT CUTTING SPEND, BUT LOOKING FOR BROADER PARTNERSHIPS



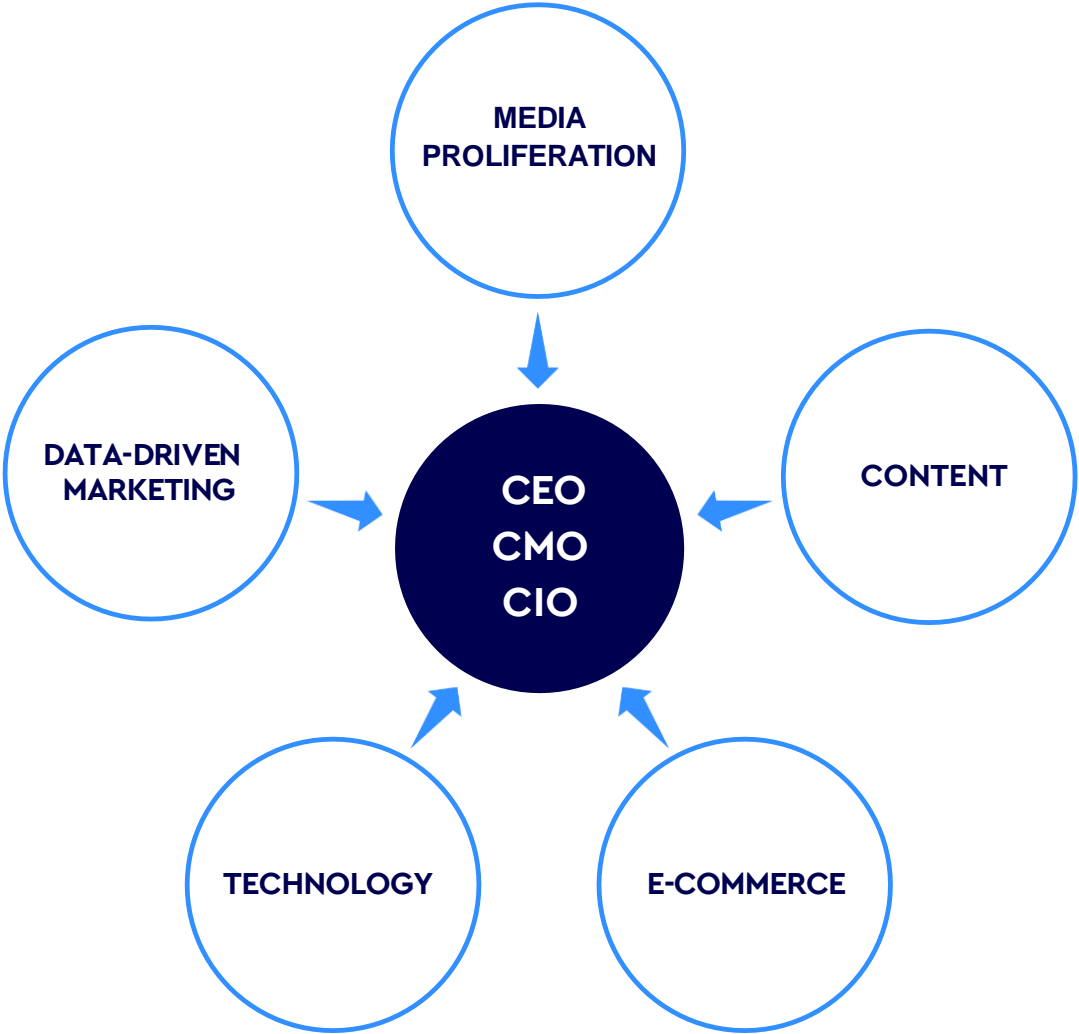
- CREATIVITY**
- MEDIA INSIGHT AND PERFORMANCE**
- DATA EXPERTISE**
- TECHNOLOGY**

*Source Gartner: October 2018

CMO Budget Allocation - Mean Percentage of Budget Shown

* Survey of 353 marketing executives in North America and the UK at companies with more than \$250 million in annual revenues

TECHNOLOGY IS FUNDAMENTALLY RESHAPING OUR INDUSTRY





WPP AUNZ STRATEGY

Driving Growth Through Creative Transformation

What we do

WPP AUNZ is a **Creative Transformation** Company

Our offer to clients

Communications

Commerce

Experience

Technology

Structure

Clients
Empowered leadership to deliver seamless solutions, connecting technology, data and creativity

Companies
Stronger operating brands covering each discipline, well positioned for growth

Leadership
Deeply connected leaders working together to serve clients, leveraging talent and relationships

How we behave

Open

Optimistic

Extraordinary

Our purpose

Creating Better Together

A CULTURE OF EXCELLENCE TO SUPPORT OUR TRANSFORMATION



LEADERSHIP

- Refresh Executive Leadership Team
- Digital Leadership
- Select new Opco Leadership
- Investment in Creative Leadership



TALENT

- Career at WPP AUNZ
- Develop next generation of talent
- Enhance Training and Development
- Diversity & Inclusion Initiatives



REWARDS

- New Incentive Plan



OUTLOOK

OUTLOOK

- **2019 Outlook for underlying earnings per share to be flat against the prior year**
- **Q1 trading results are ahead of internal forecast, but behind prior year**
- **Overall market media spend in the first quarter is expected to be down circa 7%**
- **First half trading results expected to be weaker than the previous corresponding period**
- **Heavier weighing of earnings in the second half of the year driven by turnaround of the underperforming units and full year benefit of material contract wins**



WPP AUNZ AGM RESOLUTIONS

ITEM 1:

FINANCIAL AND OTHER REPORTS

To receive and consider the Financial Report, Directors' Report and the Independent Auditor's Report for the Company and its controlled entities for the year ended 31 December 2018.

RESOLUTION 2.1: RE-ELECTION OF MR ROBERT MACTIER

'That Mr Robert Mactier, being a Director of the Company who retires by rotation in accordance with the Company's constitution and, having offered himself for re-election and being eligible, be re-elected as a Director of the Company.'

	NUMBER OF PROXIES	%
For	752,435,199	99.57
Against	2,508,570	.33
Open	759,732	.10
TOTAL VALID PROXIES	755,703,501	100%

RESOLUTION 2.2: RE-ELECTION OF MS KIM ANDERSON

'That Ms Kim Anderson, being a Director of the Company who retires by rotation in accordance with the Company's constitution and, having offered herself for re-election and being eligible, be re-elected as a Director of the Company.'

	NUMBER OF PROXIES	%
For	740,390,109	97.98
Against	14,545,318	1.92
Open	789,732	.10
TOTAL VALID PROXIES	755,703,501	100%

RESOLUTION 3:

GRANT OF PERFORMANCE RIGHTS TO INTERIM CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR UNDER LONG TERM INCENTIVE PLAN

'That, for the purposes of ASX Listing Rule 10.14, approval be given for the grant of Performance Rights with a value of \$1,000,000 to the Company's Interim Chief Executive Officer ("CEO") and Executive Director, Mr John Steedman, pursuant to the WPP AUNZ Long Term Incentive Plan on the terms and conditions summarised in the explanatory statement accompanying the Notice of Annual General Meeting.'

	NUMBER OF PROXIES	%
For	750,891,409	99.37
Against	3,958,502	.53
Open	752,173	.10
TOTAL VALID PROXIES	755,703,501	100%

RESOLUTION 4: GRANT OF STIP PERFORMANCE SHARES TO INTERIM CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR UNDER SHORT TERM INCENTIVE PLAN

'That, for the purposes of ASX Listing Rule 10.14, approval be given for the grant of up to \$ 412,500 worth of STIP Performance Shares to the Company's Interim CEO and Executive Director, Mr John Steedman, under the WPP AUNZ Short-Term Incentive Plan on the terms and conditions summarised in the explanatory statement accompanying the Notice of Annual General Meeting.'

	NUMBER OF PROXIES	%
For	750,874,563	99.38
Against	3,998,619	.53
Open	666,173	.09
TOTAL VALID PROXIES	755,703,501	100%

RESOLUTION 5: ADOPTION OF REMUNERATION REPORT

'That the Remuneration Report for the year ended 31 December 2018 be adopted.'

	NUMBER OF PROXIES	%
For	749,932,651	99.40
Against	3,785,638	.50
Open	752,092	.10
TOTAL VALID PROXIES	755,703,501	100%



THANK YOU