

WPP Jubilee Limited

**Annual report and financial statements
for the year ended 31 December 2016**

Registered number: 08286875



WPP Jubilee Limited
Report and financial statements 2016

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WPP Jubilee Limited
Report and financial statements 2016

Officers and professional advisers

Directors

A. Scott
C. Sweetland (resigned 1st July 2016)
C. van der Welle
S. Winters (appointed 6th July 2016)

Registered office

27 Farm Street
London
United Kingdom
W1J 5RJ

Auditor

Deloitte LLP
Statutory Auditor
London
United Kingdom

Strategic report

For the year ended 31 December 2016

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

This strategic report has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to WPP Jubilee Limited and its subsidiary undertakings when viewed as a whole.

Review of the business

WPP Jubilee Limited is a company incorporated in the UK and registered in England and Wales, under the Companies Act. The address of the registered office is 27 Farm Street, London, W1J 5RJ. The Company has acted as an intermediate holding company in the WPP group since its incorporation on 8 November 2012. As part of the Group's re-organisation during 2013, the Group put in place a new United Kingdom tax resident parent company by means of a scheme of arrangement pursuant to Article 125 of the Companies (Jersey) Law 1991.

The new scheme became effective on 2 January 2013, with WPP 2012 plc becoming the new parent company of the WPP Group and being renamed WPP plc. At the same time, the existing parent company of the WPP Group, WPP plc, was renamed WPP 2012 Limited. Under this scheme, all the shares in the Company were cancelled and the same number of new shares were issued to WPP plc, the new holding company of the WPP group. WPP Jubilee Limited is a subsidiary of WPP plc and as part of the Group re-organisation, the entire operations of the Group previously under Lexington International B.V. were transferred to WPP Jubilee Limited. The remaining Group continues to trade as normal.

With reference to the consolidated income statement on page 8, reported revenues were £14.4 billion (2015: £12.2 billion) and including 100% of associates, revenue is estimated to total £16.6 billion.

In September 2016, the Group issued £400 million of 2.875% bonds due September 2046.

The number of people in the Group, excluding associates, averaged 132,657 against 124,930 in 2015, an increase of 6%. At the end of 2016, staff numbers were 134,341 compared with 128,123 at the end of 2015 and including all employees of associated undertakings, this figure was approximately 198,000 (2015: 190,000). At 31 December 2016, net assets were £14,018.4 million compared with £11,327.5 million in 2015.

In addition, the performance of WPP plc, which includes the Group, is discussed in its annual report, which does not form part of this report.

Key performance indicators

WPP Jubilee Limited is a wholly-owned subsidiary of WPP plc. For this reason, the Company's directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of WPP plc, which includes the Group, is discussed in its annual report which does not form part of this report.

Strategic report (continued)

For the year ended 31 December 2016

Principal risks and uncertainties

The Group has considered the principal risks and uncertainties affecting the Group as at 31 December 2016 and up to the date of this report. These are described in detail in the annual report of WPP plc which does not form part of this report.

Future developments

The directors expect the general level of activity to remain consistent with 2016 in the forthcoming year. However, the prime focus will be on improving operating margin on net sales, increase flexibility in the cost structure and growth in revenue and net sales.

Details of significant events since the balance sheet date are contained in the notes to the financial statements.

By Order of the Board



S. Winters

Registered office

27 Farm Street
London
United Kingdom
W1J 5RJ

23 June 2017

Directors' report

For the year ended 31 December 2016

The directors present their annual report on the affairs of the Company, together with the audited financial statements and independent auditor's report for the year ended 31 December 2016.

Results and dividends

The audited financial statements are set out on pages 9 to 130. The profit before taxation for the year was £1,991.7 million (2015: £1,640.6 million). The Company did not pay or declare any ordinary dividends during the year (2015: nil).

Group activities

The principal activity of the Group continues to be the provision of communications services worldwide. The Company acts only as a holding company and does not trade.

Risk management and financial instruments

- Currency risk

The Group's results in pounds sterling are subject to fluctuation as a result of exchange rate movements. The Group does not hedge this translation exposure to its earnings but does hedge the currency element of its net assets using foreign currency borrowings, cross-currency swaps and forward foreign exchange contracts.

- Interest rate risk

The Group is exposed to interest rate risk on both interest-bearing assets and interest-bearing liabilities. The Group has a policy of actively managing its interest rate risk exposure while recognising that fixing rates on all its debt eliminates the possibility of benefiting from rate reductions and similarly, having all its debt at floating rates unduly exposes the Group to increases in rates.

- Going concern and liquidity risk

In considering going concern and liquidity risk, the directors have reviewed the Group's future cash requirements and earnings projections. The directors believe these forecasts have been prepared on a prudent basis and have also considered the impact of a range of potential changes to trading performance to factor in an uncertain economic environment. The directors have concluded that the Group should be able to operate within its current facilities and comply with its banking covenants for the foreseeable future and therefore believe it is appropriate to prepare the financial statements of the Group on the going concern basis.

Given the strong cash generation of the business, its debt maturity profile and available facilities, the directors believe the Group has sufficient liquidity to match its requirements for the foreseeable future.

- Treasury activities

Treasury activity is managed centrally, from London, New York and Hong Kong, and is principally concerned with the monitoring of working capital, managing external and internal funding requirements and the monitoring and management of financial market risks, in particular interest rate and foreign exchange exposures.

Directors' report (continued)

For the year ended 31 December 2016

Risk management and financial instruments (continued)

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

Credit risk

The Group's principal financial assets are cash and short-term deposits, trade and other receivables and investments, the carrying values of which represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group's credit risk is primarily attributable to its trade receivables. The majority of the Group's trade receivables are due from large national or multinational companies where the risk of default is considered low.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies or banks that have been financed by their government.

Financial instruments

The Group utilises currency derivatives to hedge significant future transactions and cash flows and the exchange risk arising on translation of the Group's investments in foreign operations. The Group is a party to a variety of foreign currency derivatives in the management of its exchange rate exposures. The instruments purchased are primarily denominated in the currencies of the Group's principal markets.

The Group uses interest rate swaps as hedging instruments in fair value hedges to manage its exposure to interest rate movements on its borrowings.

More information on the Group's principal risks and risk management policies and financial instruments are set out in notes 24 and 25 of the consolidated financial statements.

Directors

The directors who served throughout the year were as follows:

A. Scott

C. van der Welle

C. Sweetland (resigned 1st July 2016)

S. Winters (appointed 6th July 2016)

Employees

Our non-discrimination and anti-harassment policies are included in our Group Code of Conduct. In the case of disability, our policy is to provide continuing employment and training wherever practicable.

Directors' report (continued)

For the year ended 31 December 2016

Going concern

The directors are required to consider whether it is appropriate to adopt the financial statements on the basis that the Company and the Group are going concerns. As part of its normal business practice, the Group prepares annual and longer-term plans and in reviewing this information and in particular the three-year plan and budget the directors believe that the Company and the Group have adequate resources for the foreseeable future. Therefore, the Company and the Group continue to adopt the going concern basis in preparing the financial statements. Further details of the Group's financial position and borrowing facilities are described in note 24 of the consolidated financial statements.

Statement of disclosure of information to the auditor

So far as the directors currently in office are aware, there is no relevant audit information of which the Company's auditor is unaware, and the directors have taken all the steps that ought to have been taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

By Order of the Board



S. Winters

23 June 2017

Directors' responsibilities statement

For the year ended 31 December 2016

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing the parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

In preparing the group financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Consolidated income statement
For the year ended 31 December 2016

	Notes	2016 £m	2015 £m
Revenue	2	14,388.9	12,235.2
Direct costs		(1,991.1)	(1,710.9)
Gross profit		12,379.8	10,524.3
Operating costs	3	(10,349.8)	(8,882.8)
Operating profit		2,048.0	1,641.5
Share of results of associates	4	49.8	47.0
Profit before interest and taxation		2,097.8	1,688.5
Finance income	7	143.8	143.8
Finance costs	7	(210.2)	(161.0)
Revaluation of financial instruments	7	(39.7)	(30.7)
Profit before taxation		1,991.7	1,640.6
Taxation	8	(388.9)	(272.7)
Profit for the year		1,602.8	1,367.9
Attributable to:			
Equity holders of the parent		1,501.3	1,283.0
Non-controlling interests		101.5	84.9
		1,602.8	1,367.9

Note

The accompanying notes form an integral part of this consolidated income statement.

All results are derived from continuing activities.

Consolidated statement of comprehensive income

For the year ended 31 December 2016

	2016 £m	2015 £m
Profit for the year	1,602.8	1,367.9
Items that may be reclassified subsequently to profit or loss:		
Exchange adjustments on foreign currency net investments	1,377.1	(296.0)
(Loss)/gain on revaluation of available for sale investments	(81.3)	200.4
	1,295.8	(95.6)
Items that will not be reclassified subsequently to profit or loss:		
Actuarial (loss)/gain on defined benefit pension plans	(15.9)	33.5
Deferred tax on defined benefit pension plans	(0.4)	(5.2)
	(16.3)	28.3
Other comprehensive income/(loss) for the year	1,279.5	(67.3)
Total comprehensive income for the year	2,882.3	1,300.6
Attributable to:		
Equity holders of the parent	2,712.7	1,218.7
Non-controlling interests	169.6	81.9
	2,882.3	1,300.6

Note

The accompanying notes form an integral part of this consolidated statement of comprehensive income.

Consolidated cash flow statement

For the year ended 31 December 2016

	Notes	2016 £m	2015 £m
Net cash inflow from operating activities	11	810.7	376.4
Investing activities			
Acquisitions and other disposals	11	(791.7)	(851.1)
Purchases of property, plant and equipment		(252.1)	(210.3)
Purchases of other intangible assets (including capitalised computer software)		(33.0)	(36.1)
Proceeds on disposal of property, plant and equipment		7.7	13.4
Net cash outflow from investing activities		(1,069.1)	(1,084.1)
Financing activities			
Cash consideration for non-controlling interests	11	(58.3)	(23.6)
Net increase in borrowings	11	369.6	505.7
Financing and share issue costs		(6.4)	(11.4)
Dividends paid to non-controlling interests in subsidiary undertakings		(89.6)	(55.2)
Net cash inflow from financing activities		215.3	415.5
Net decrease in cash and cash equivalents		(43.1)	(292.2)
Translation differences		297.6	(64.9)
Cash and cash equivalents at beginning of the year		2,873.1	3,230.2
Cash and cash equivalents at end of year	11	3,127.6	2,873.1
Reconciliation of net cash flow to movement in net debt:			
Net decrease in cash and cash equivalents		(43.1)	(292.2)
Cash inflow from increase in debt financing		(363.2)	(662.5)
Debt acquired		(144.4)	-
Other movements		(10.4)	(142.4)
Translation differences		(435.6)	(128.0)
Movement of net debt in the year		(996.7)	(1,225.1)
Net debt at beginning of year		(1,515.7)	(290.6)
Net debt at end of year	10	(2,512.4)	(1,515.7)

Note

The accompanying notes form an integral part of this consolidated cash flow statement.

Consolidated balance sheet
As at 31 December 2016

	Notes	2016 £m	2015 £m
Non-current assets			
Intangible assets:			
Goodwill	12	13,214.3	10,670.6
Other	12	2,217.3	1,715.4
Property, plant and equipment	13	968.7	797.7
Interests in associates and joint ventures	14	1,069.4	758.6
Other investments	14	1,562.0	1,426.8
Deferred tax assets	15	140.4	94.1
Trade and other receivables	17	1,568.3	760.1
		<u>20,740.4</u>	<u>16,223.3</u>
Current assets			
Inventory and work in progress	16	400.4	329.0
Corporate income tax recoverable		231.2	168.6
Trade and other receivables	17	15,022.0	12,931.5
Cash and short-term deposits		3,648.2	3,225.2
		<u>19,301.8</u>	<u>16,654.3</u>
Current liabilities			
Trade and other payables	18	(16,643.4)	(14,354.0)
Corporate income tax payable		(752.3)	(598.5)
Bank overdrafts and loans	20	(585.8)	(481.1)
		<u>(17,981.5)</u>	<u>(15,433.6)</u>
Net current assets		<u>1,320.3</u>	<u>1,220.7</u>
Total assets less current liabilities		<u>22,060.7</u>	<u>17,444.0</u>
Non-current liabilities			
Bonds and bank loans	20	(5,571.7)	(4,259.8)
Trade and other payables	19	(1,273.8)	(891.5)
Deferred tax liabilities	15	(692.4)	(552.3)
Provision for post-employment benefits	23	(276.5)	(229.3)
Provisions for liabilities and charges	21	(227.9)	(183.6)
		<u>(8,042.3)</u>	<u>(6,116.5)</u>
Net assets		<u>14,018.4</u>	<u>11,327.5</u>
Equity			
Called-up share capital	26	0.1	0.1
Share premium account		12,553.7	12,553.7
Merger reserve		(16,441.9)	(16,441.9)
Other reserves	27	1,264.8	59.0
Retained earnings		16,198.6	14,778.2
Equity share owners' funds		<u>13,575.3</u>	<u>10,949.1</u>
Non-controlling interests		443.1	378.4
Total equity		<u>14,018.4</u>	<u>11,327.5</u>

Note

The accompanying notes form an integral part of this consolidated balance sheet.

The financial statements were approved by the Board of Directors and authorised for issue on 23 June 2017.

Signed on behalf of the Board:



S. Winters

Consolidated statement of changes in equity

For the year ended 31 December 2016

For the year ended 31 December 2016

	Called-up share capital	Share premium account	Merger reserves	Other reserves ¹	Retained earnings	Total equity share owners' funds	Non- controlling interests	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Balance at 1 January 2016	0.1	12,553.7	(16,441.9)	59.0	14,778.2	10,949.1	378.4	11,327.5
Net profit for the year	-	-	-	-	1,501.3	1,501.3	101.5	1,602.8
Exchange adjustments on foreign currency net investments	-	-	-	1,309.0	-	1,309.0	68.1	1,377.1
Loss on revaluation of other investments	-	-	-	(81.3)	-	(81.3)	-	(81.3)
Actuarial loss on defined benefit plans	-	-	-	-	(15.9)	(15.9)	-	(15.9)
Deferred tax on defined benefit plans	-	-	-	-	(0.4)	(0.4)	-	(0.4)
Comprehensive income	-	-	-	1,227.7	1,485.0	2,712.7	169.6	2,882.3
Dividends paid to non-controlling interests in subsidiary undertakings	-	-	-	-	-	-	(89.6)	(89.6)
Non-cash share-based incentive plans (including stock options)	-	-	-	-	106.5	106.5	-	106.5
Tax adjustment on share based payments	-	-	-	-	3.9	3.9	-	3.9
Net movement of own shares held by ESOP trust	-	-	-	-	(181.1)	(181.1)	-	(181.1)
Recognition/re-measurement of financial instruments	-	-	-	(21.9)	26.8	4.9	-	4.9
Acquisition of subsidiaries ²	-	-	-	-	(20.7)	(20.7)	(15.3)	(36.0)
Balance at 31 December 2016	0.1	12,553.7	(16,441.9)	1,264.8	16,198.6	13,575.3	443.1	14,018.4

Notes

The accompanying notes form an integral part of this consolidated statement of changes in equity.

¹ Other reserves are analysed in note 27.

² Acquisition of subsidiaries represents movements in retained earnings and non-controlling interests arising from changes in ownership of existing subsidiaries and recognition of non-controlling interests on new acquisitions.

Total comprehensive income relating to the year ended 31 December 2016 was £2,882.3 million (2015: £1,300.6 million).

Consolidated statement of changes in equity

For the year ended 31 December 2016

For the year ended 31 December 2015

	Called-up share capital	Share premium account	Merger reserves	Other reserves ¹	Retained earnings	Total equity share owners' funds	Non- controlling interests	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Balance at 1 January 2015	0.1	12,553.7	(16,441.9)	210.6	13,517.3	9,839.8	326.7	10,166.5
Net profit for the year	-	-	-	-	1,283.0	1,283.0	84.9	1,367.9
Exchange adjustments on foreign currency net investments	-	-	-	(293.0)	-	(293.0)	(3.0)	(296.0)
Gain on revaluation of other investments	-	-	-	200.4	-	200.4	-	200.4
Actuarial gain on defined benefit plans	-	-	-	-	33.5	33.5	-	33.5
Deferred tax on defined benefit plans	-	-	-	-	(5.2)	(5.2)	-	(5.2)
Comprehensive income	-	-	-	(92.6)	1,311.3	1,218.7	81.9	1,300.6
Dividends paid to non-controlling interests in subsidiary undertakings	-	-	-	-	-	-	(55.2)	(55.2)
Non-cash share-based incentive plans (including stock options)	-	-	-	-	99.0	99.0	-	99.0
Tax adjustment on share-based payments	-	-	-	-	18.0	18.0	-	18.0
Net movement of own shares held by ESOP trust	-	-	-	-	(148.1)	(148.1)	-	(148.1)
Recognition/re-measurement of financial instruments	-	-	-	(59.0)	(0.7)	(59.7)	-	(59.7)
Acquisition of subsidiaries ²	-	-	-	-	(18.6)	(18.6)	25.0	6.4
Balance at 31 December 2015	0.1	12,553.7	(16,441.9)	59.0	14,778.2	10,949.1	378.4	11,327.5

Notes

The accompanying notes form an integral part of this consolidated statement of changes in equity.

¹ Other reserves are analysed in note 27.

² Acquisition of subsidiaries represents movements in retained earnings and non-controlling interests arising from changes in ownership of existing subsidiaries and recognition of non-controlling interests on new acquisitions.

Notes to the financial statements

For the year ended 31 December 2016

1 Accounting policies

The consolidated financial statements of WPP Jubilee Limited and its subsidiaries (the Group) for the year ended 31 December 2016 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union as they apply to the financial statements of the Group for the year ended 31 December 2016. The Group's financial statements have also been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention, except for the revaluation of certain financial instruments. The principal accounting policies are set out on the following pages.

Basis of consolidation

The consolidated financial statements include the results of WPP Jubilee Limited and all its subsidiary undertakings made up to the same accounting date. All intra-Group balances, transactions, income and expenses are eliminated in full on consolidation. The results of subsidiary undertakings acquired or disposed of during the period are included or excluded from the consolidated income statement from the effective date of acquisition or disposal.

Goodwill and other intangible assets

Intangible assets comprise goodwill, certain acquired separable corporate brand names, acquired customer relationships, acquired proprietary tools and capitalised computer software not integral to a related item of hardware.

Goodwill represents the excess of fair value attributed to investments in businesses or subsidiary undertakings over the fair value of the underlying net assets, including intangible assets, at the date of their acquisition.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the net present value of future cash flows derived from the underlying assets using a projection period of up to five years for each cash-generating unit. After the projection period a steady growth rate representing an appropriate long-term growth rate for the industry is applied. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Corporate brand names, customer relationships and proprietary tools acquired as part of acquisitions of businesses are capitalised separately from goodwill as intangible assets if their value can be measured reliably on initial recognition and it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group.

Certain corporate brands of the Group are considered to have an indefinite economic life because of the institutional nature of the corporate brand names, their proven ability to maintain market leadership and profitable operations over long periods of time and the Group's commitment to develop and enhance their value. The carrying value of these intangible assets is reviewed at least annually for impairment and adjusted to the recoverable amount if required.

Notes to the financial statements (continued)

For the year ended 31 December 2016

Goodwill and other intangible assets (continued)

Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset on a straight-line basis over its estimated useful life as follows:

- Brand names (with finite lives) – 10-20 years.
- Customer-related intangibles – 3-10 years.
- Other proprietary tools – 3-10 years.
- Other (including capitalised computer software) – 3-5 years.

Contingent consideration

Contingent consideration is accounted for in accordance with IFRS 3 Business Combinations. Contingent consideration only applies to situations where contingent payments are not dependent on future employment of vendors and any such payments are expensed when they relate to future employment.

Future anticipated payments to vendors in respect of contingent consideration (earnout agreements) are initially recorded at fair value which is the present value of the expected cash outflows of the obligations. The obligations are dependent on the future financial performance of the interests acquired (typically over a four- to five-year period following the year of acquisition) and assume the operating companies improve profits in line with directors' estimates. The directors derive their estimates from internal business plans together with financial due diligence performed in connection with the acquisition.

Subsequent adjustments to the fair value are recorded in the consolidated income statement within revaluation of financial instruments. For acquisitions completed prior to 1 January 2010, such adjustments are recorded in the consolidated balance sheet within goodwill.

Property, plant and equipment

Property, plant and equipment are shown at cost less accumulated depreciation and any provision for impairment with the exception of freehold land which is not depreciated. The Group assesses the carrying value of its property, plant and equipment to determine if any impairment has occurred. Where this indicates that an asset may be impaired, the Group applies the requirements of IAS 36 Impairment of Assets in assessing the carrying amount of the asset. This process includes comparing its recoverable amount with its carrying value. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset on a straight-line basis over its estimated useful life, as follows:

- Freehold buildings – 50 years.
- Leasehold land and buildings – over the term of the lease or life of the asset, if shorter.
- Fixtures, fittings and equipment – 3-10 years.
- Computer equipment – 3-5 years.

Notes to the financial statements (continued)

For the year ended 31 December 2016

Interests in associates and joint ventures

An associate is an entity over which the Group has significant influence. In certain circumstances, significant influence may be represented by factors other than ownership and voting rights, such as representation on the Board of Directors.

The Group's share of the profits less losses of associate undertakings net of tax, interest and non-controlling interests is included in the consolidated income statement and the Group's share of net assets is shown within interests in associates in the consolidated balance sheet. The Group's share of the profits less losses and net assets is based on current information produced by the undertakings, adjusted to conform with the accounting policies of the Group.

The Group assesses the carrying value of its associate undertakings to determine if any impairment has occurred. Where this indicates that an investment may be impaired, the Group applies the requirements of IAS 36 in assessing the carrying amount of the investment. This process includes comparing its recoverable amount with its carrying value.

The Group accounts for joint venture investments under the equity method which is consistent with the Group's treatment of associates.

Other investments

Other investments are designated as 'available for sale' and are shown at fair value with any movements in fair value taken to equity.

On disposal the cumulative gain or loss previously recognised in equity is included in the profit or loss for the period.

Inventory and work in progress

Work in progress is valued at cost, which includes outlays incurred on behalf of clients and an appropriate proportion of directly attributable costs and overheads on incomplete assignments. Provision is made for irrecoverable costs where appropriate. Inventory is stated at the lower of cost and net realisable value.

Trade receivables

Trade receivables are stated net of provisions for bad and doubtful debts.

Foreign currency and interest rate hedging

The Group's policy on interest rate and foreign exchange rate management sets out the instruments and methods available to hedge interest and currency risk exposures and the control procedures in place to ensure effectiveness.

The Group uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The Group does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

At the inception of the hedge relationship the entity documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions.

Notes to the financial statements (continued)

For the year ended 31 December 2016

Foreign currency and interest rate hedging (continued)

Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in fair values or cash flows of the hedged item.

Note 25 contains details of the fair values of the derivative instruments used for hedging purposes.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss immediately, together with any changes in the fair value of the hedged item that is attributable to the hedged risk.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow or net investment hedges is deferred in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts deferred in equity are recycled in profit or loss in the periods when the hedged item is recognised in profit or loss. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to net profit or loss for the period.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not carried at fair value with unrealised gains or losses reported in the consolidated income statement.

Liabilities in respect of option agreements

Option agreements that allow the Group's equity partners to require the Group to purchase a non-controlling interest are treated as derivatives over equity instruments and are recorded in the consolidated balance sheet at fair value and the valuation is re-measured at each period end. Fair value is based on the present value of expected cash outflows and the movement in the fair value is recognised as income or expense within revaluation of financial instruments in the consolidated income statement.

Derecognition of financial liabilities

In accordance with IAS 39 Financial Instruments: Recognition and Measurement, a financial liability of the Group is only released to the consolidated income statement when the underlying legal obligation is extinguished.

Convertible debt

Convertible debt is assessed according to the substance of the contractual arrangements and is classified into liability and equity elements on the basis of the initial fair value of the liability element. The difference between this figure and the cash received is classified as equity.

The consolidated income statement charge for the finance cost is spread evenly over the term of the convertible debt so that at redemption the liability equals the redemption value.

Notes to the financial statements (continued)

For the year ended 31 December 2016

Other debt

Other interest-bearing debt is recorded at the proceeds received, net of direct issue costs.

Borrowing costs

Finance costs of borrowing are recognised in the consolidated income statement over the term of those borrowings.

Revenue recognition

Revenue comprises commission and fees earned in respect of amounts billed. Direct costs include fees paid to external suppliers where they are retained to perform part or all of a specific project for a client and the resulting expenditure is directly attributable to the revenue earned. Revenue is stated exclusive of VAT, sales taxes and trade discounts.

Advertising and Media Investment Management

Revenue is typically derived from commissions on media placements and fees for advertising services. Revenue may consist of various arrangements involving commissions, fees, incentive-based revenue or a combination of the three, as agreed upon with each client.

Revenue is recognised when the service is performed, in accordance with the terms of the contractual arrangement. The amount of revenue recognised depends on whether we act as an agent or as a principal in an arrangement with a client. Where we act as an agent, the revenue recorded is the net amount retained when the fee or commission is earned. Although the Group may bear credit risk in respect of these activities, the arrangements with our clients are such that we consider that we are acting as an agent on their behalf. In such cases, costs incurred with external suppliers (such as media suppliers) are excluded from our revenue. Where the Group acts as a principal and contracts directly with suppliers for media payments and production costs, the revenue recorded is the gross amount billed.

Incentive-based revenue typically comprises both quantitative and qualitative elements; on the element related to quantitative targets, revenue is recognised when the quantitative targets have been achieved; on the element related to qualitative targets, revenue is recognised when the incentive is received or receivable.

The Group receives volume rebates from certain suppliers for transactions entered into on behalf of clients that, based on the terms of the relevant contracts and local law, are either remitted to clients or retained by the Group. If amounts are passed on to clients they are recorded as liabilities until settled or, if retained by the Group, are recorded as revenue when earned.

Data Investment Management

Revenue recognised in proportion to the level of service performed for market research contracts is based on proportional performance. In assessing contract performance, both input and output criteria are reviewed. Costs incurred are used as an objective input measure of performance. The primary input of all work performed under these arrangements is labour. As a result of the relationship between labour and cost, there is normally a direct relationship between costs incurred and the proportion of the contract performed to date. Costs incurred as a proportion of expected total costs is used as an initial proportional performance measure. This indicative proportional performance measure is subsequently validated against other more subjective criteria (i.e. relevant output measures) such as the percentage of interviews completed, percentage of reports delivered to a client and the achievement of any project milestones stipulated in the contract. In the event of divergence between the objective and more subjective measures, the more subjective measures take precedence since these are output measures.

Notes to the financial statements (continued)

For the year ended 31 December 2016

Revenue recognition (continued)

While most of the studies provided in connection with the Group's market research contracts are undertaken in response to an individual client's or group of clients' specifications, in certain instances a study may be developed as an off-the-shelf product offering sold to a broad client base. For these transactions, revenue is recognised when the product is delivered. Where the terms of transaction provide for licensing the product on a subscription basis, revenue is recognised over the subscription period on a straight-line basis or, if applicable, based on usage.

Substantially all services are provided on a fixed price basis. Pricing may also include a provision for a surcharge where the actual labour hours incurred in completing a project are significantly above the labour hours quoted in the project proposal. In instances where this occurs, the surcharge will be included in the total revenue base on which to measure proportional performance when the actual threshold is reached provided that collectability is reasonably assured.

Public Relations & Public Affairs and Branding & Identity, Healthcare and Specialist Communications

Revenue is typically derived from retainer fees and services to be performed subject to specific agreement. Revenue is recognised when the service is performed, in accordance with the terms of the contractual arrangement. Revenue is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the consolidated income statement revenue and related costs as contract activity progresses.

Taxation

Corporate taxes are payable on taxable profits at current rates. The tax expense represents the sum of the tax currently payable and deferred tax.

The Group is subject to corporate taxes in a number of different jurisdictions and judgement is required in determining the appropriate provision for transactions where the ultimate tax determination is uncertain. In such circumstances, the Group recognises liabilities for anticipated taxes based on the best information available and where the anticipated liability is both probable and estimable, liabilities are classified as current. Any interest and penalties accrued are included in income taxes both in the consolidated income statement and balance sheet. Where the final outcome of such matters differs from the amount recorded, any differences may impact the income tax and deferred tax provisions in the period in which the final determination is made.

The tax laws that apply to the Group's subsidiaries may be amended by the relevant tax authorities. Such potential amendments are regularly monitored and adjustments are made to the Group's tax liabilities and deferred tax assets and liabilities where necessary.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences unless specifically excepted by IAS 12 Income Taxes. Deferred tax is charged or credited in the consolidated income statement, except when it relates to items charged or credited to other comprehensive income or directly to equity, in which case the deferred tax is also dealt with in other comprehensive income or equity. Deferred tax assets

Notes to the financial statements (continued)

For the year ended 31 December 2016

Taxation (continued)

are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or other assets and liabilities (other than in a business combination) in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on enacted or substantively enacted legislation. Deferred tax is charged or credited in the consolidated income statement, except when it relates to items charged or credited directly to equity or the consolidated statement of comprehensive income, in which case the deferred tax is also dealt with in equity or the consolidated statement of comprehensive income.

Retirement benefit costs

The Group accounts for retirement benefit costs in accordance with IAS 19: Employee Benefits.

For defined contribution plans, contributions are charged to the consolidated income statement as payable in respect of the accounting period.

For defined benefit plans the amounts charged to operating profit are the current service costs, past service costs, administrative expenses and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the consolidated income statement when the related plan amendment occurs. The interest cost on pension plan liabilities and expected return on plan assets reported in previous years have been replaced with a net interest amount which is shown within finance costs. The net interest is calculated by applying the discount rate to the recognised overall surplus or deficit in the plan.

Actuarial gains and losses are recognised immediately in the consolidated statement of comprehensive income.

Where defined benefit plans are funded, the assets of the plan are held separately from those of the Group, in separate independently managed funds. Pension plan assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the plan liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Notes to the financial statements (continued)

For the year ended 31 December 2016

Retirement benefit costs (continued)

Recognition of a surplus in a defined benefit plan is limited based on the economic gain the Company is expected to benefit from in the future by means of a refund or reduction in future contributions to the plan, in accordance with IAS 19.

Finance leases

Assets held under finance leases are recognised as assets of the Group at the inception of the lease at the lower of their fair value and the present value of the minimum lease payments. Depreciation on leased assets is charged to the consolidated income statement on the same basis as owned assets. Leasing payments are treated as consisting of capital and interest elements and the interest is charged to the consolidated income statement as it is incurred.

Operating leases

Operating lease rentals are charged to the consolidated income statement on a straight-line basis over the lease term. Any premium or discount on the acquisition of a lease is spread over the life of the lease on a straight-line basis.

Translation of foreign currencies

Foreign currency transactions arising from normal trading activities are recorded at the rates in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are translated at the year-end exchange rate. Foreign currency gains and losses are credited or charged to the consolidated income statement as they arise.

The income statements of overseas subsidiary undertakings are translated into pounds sterling at average exchange rates and the year-end net assets of these companies are translated at year-end exchange rates.

Exchange differences arising from retranslation of the opening net assets and on foreign currency borrowings (to the extent that they hedge the Group's investment in such operations) are reported in the consolidated statement of comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Share-based payments

The Group issues equity-settled share-based payments (including share options) to certain employees and accounts for these awards in accordance with IFRS 2 Share-Based Payment. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. Details regarding the fair value of equity settled share-based transactions are set out in notes 22 and 26.

Notes to the financial statements (continued)

For the year ended 31 December 2016

Share-based payments (continued)

The fair value determined at the grant date is recognised in the consolidated income statement as an expense on a straight-line basis over the relevant vesting period, based on the Group's estimate of the number of shares that will ultimately vest and adjusted for the effect of non-market-based vesting conditions.

New IFRS accounting pronouncements

At the date of authorisation of these financial statements, the following Standards, which have not been applied in these financial statements, were in issue but not yet effective:

- IFRS 9: Financial Instruments;
- IFRS 15: Revenue from Contracts with Customers; and
- IFRS 16: Leases

With the exception of IFRS 15 and IFRS 16, the Group does not consider that these Standards and Interpretations will have a significant impact on the financial statements of the Group except for additional disclosures when the relevant standards come into effect.

IFRS 15 is effective from 1 January 2018. It provides for one of two methods of transition: retrospective application to each prior period presented or recognition of the cumulative effect of retrospective application of the new standard as of the beginning of the period of initial application. We have not yet decided which transition method we will use. While we continue to assess the impacts of the standard, based on our initial assessment, we do not expect the adoption of IFRS 15 to have a significant impact on the timing of the Group's revenue recognition. We do expect an acceleration of revenue recognition for certain incentive-based revenues; however, incentive-based revenues are not material to the Group's revenue. In April 2016, the IASB issued clarification guidance on principal versus agent considerations. We are currently evaluating the impact of the principal versus agent guidance on certain of our revenues and direct costs; however, we do not expect any change to have a material effect on our results of operations.

IFRS 16 is effective from 1 January 2019. The standard eliminates the classification of leases as either operating or finance leases and introduces a single accounting model. Lessees will be required to recognise a right-of-use asset and related lease liability for the majority of their operating leases and show depreciation of leased assets and interest on lease liabilities separately on the income statement. IFRS 16 will require the Group to recognise substantially all of its current operating lease commitments on the balance sheet and the financial impact of this, together with other implications of the standard, are currently being assessed.

In the current year, the following Standards and Interpretations became effective:

- IFRS 14: Regulatory Deferral Accounts;

The adoption of these Standards and Interpretations has not led to any changes in the Group's accounting policies.

Critical judgements in applying accounting policies

Management is required to make key decisions and judgements in the process of applying the Group's accounting policies. The most significant areas where such judgements have been necessary are revenue recognition, goodwill and other intangibles, payments due to vendors (earnout agreements), acquisition reserves, taxation and accounting for pension liabilities. Where judgement has been applied, the key factors taken into consideration are disclosed in the accounting policies and the appropriate note in these financial statements.

Notes to the financial statements (continued)

For the year ended 31 December 2016

2 Segment information

The Group is a leading worldwide communications services organisation offering national and multinational clients a comprehensive range of communications services.

The Group is organised into four reportable segments – Advertising and Media Investment Management; Data Investment Management; Public Relations & Public Affairs; and Branding & Identity, Healthcare and Specialist Communications. This last reportable segment includes WPP Digital and direct, digital, promotional and relationship marketing. This last reportable segment includes WPP Digital and direct, digital, promotional and relationship marketing.

IFRS 8 Operating Segments requires operating segments to be identified on the same basis as is used internally for the review of performance and allocation of resources by the Group chief executive. Provided certain quantitative and qualitative criteria are fulfilled, IFRS 8 permits the aggregation of these components into reportable segments for the purposes of disclosure in the Group's financial statements. In assessing the Group's reportable segments, the directors have had regard to the similar economic characteristics of certain operating segments, their shared client base, the similar nature of their products or services and their long-term margins, amongst other factors.

Operating sectors

Reported contributions were as follows:

	Revenue ¹ £m	Headline ² PBIT £m	Headline PBIT margin %
2016			
Advertising and Media Investment Management	6,547.3	1,020.3	15.6
Data Investment Management	2,661.1	348.7	13.1
Public Relations & Public Affairs	1,101.3	178.7	16.2
Branding & Identity, Healthcare and Specialist Communications	4,079.2	597.5	14.6
	14,388.9	2,145.2	14.9
	Revenue ¹ £m	Headline ² PBIT ³ £m	Headline PBIT Margin ³ %
2015			
Advertising and Media Investment Management	5,552.8	864.0	15.6
Data Investment Management	2,425.9	288.0	11.9
Public Relations & Public Affairs	945.8	145.9	15.4
Branding & Identity, Healthcare and Specialist Communications	3,310.7	485.6	14.7
	12,235.2	1,783.5	14.6

Notes

¹ Intersegment sales have not been separately disclosed as they are not material.

² A reconciliation from reported profit before interest and taxation to headline PBIT is provided below

³ Prior year headline PBIT and net sales margins have been restated to reflect a reclassification between sectors of one of the Group's associates.

Notes to the financial statements (continued)

For the year ended 31 December 2016

2 Segment information (continued)

Other information

	Share-based payments	Capital additions ¹	Depreciation and amortisation ²	Goodwill impairment	Share of results of associates	Interests in associates and joint ventures
2016	£m	£m	£m	£m	£m	£m
Advertising and Media Investment Management	60.7	126.2	105.4	20.9	8.3	285.6
Data Investment Management	13.0	61.5	60.9	-	13.2	109.4
Public Relations & Public Affairs	7.5	10.3	11.6	-	3.2	108.1
Branding & Identity, Healthcare and Specialist Communications	25.3	87.1	81.5	6.1	25.1	566.3
	106.5	285.1	259.4	27.0	49.8	1,069.4

	Share-based payments	Capital additions ¹	Depreciation and amortisation ²	Goodwill impairment	Share of results of associates	Interests in associates and joint ventures
2015	£m	£m	£m	£m	£m	£m
Advertising and Media Investment Management	55.4	119.7	96.9	15.1	26.8	377.0
Data Investment Management	13.7	58.1	51.8	-	0.8	86.4
Public Relations & Public Affairs	6.7	9.1	9.8	-	2.3	92.0
Branding & Identity, Healthcare and Specialist Communications	23.2	59.5	69.9	-	17.1	203.2
	99.0	246.4	228.4	15.1	47.0	758.6

Notes

¹ Capital additions include purchases of property, plant and equipment and other intangible assets (including capitalised computer software).

² Depreciation of property, plant and equipment and amortisation of other intangible assets.

Balance sheet

	Assets			Liabilities		
	Segment assets	Unallocated corporate assets ¹	Consolidated total assets	Segment liabilities	Unallocated corporate liabilities ¹	Consolidated total liabilities
2016	£m	£m	£m	£m	£m	£m
Advertising and Media:						
Investment Management	17,924.5			(13,152.7)		
Data Investment Management	3,955.5			(1,574.0)		
Public Relations & Public Affairs	3,548.8			(667.1)		
Branding & Identity, Healthcare and Specialist Communications	10,593.6			(3,027.8)		
	36,022.4	4,019.8	40,042.2	(18,421.6)	(7,602.2)	(26,023.8)

Notes

¹ Included in unallocated corporate assets and liabilities are corporate income tax, deferred tax and net interest-bearing debt.

Notes to the financial statements (continued)
For the year ended 31 December 2016

2 Segment information (continued)

	Assets			Liabilities		
	Segment assets	Unallocated corporate assets ¹	Consolidated total assets	Segment liabilities	Unallocated corporate liabilities ¹	Consolidated total liabilities
2015	£m	£m	£m	£m	£m	£m
Advertising and Media						
Investment Management	14,402.5			(11,264.4)		
Data Investment Management	4,364.7			(1,397.9)		
Public Relations & Public Affairs	2,093.2			(554.1)		
Branding & Identity, Healthcare and Specialist Communications	8,529.2			(2,442.0)		
	29,389.6	3,488.0	32,877.6	(15,658.4)	(5,891.7)	(21,550.1)

Notes:

¹ Included in unallocated corporate assets and liabilities are corporate income tax, deferred tax and net interest-bearing debt.

Contributions by geographical area were as follows:

	Revenue ¹ 2016 £m	Headline ² PBIT 2016 £m	Headline PBIT margin 2016 %
North America	5,280.8	889.9	16.9
UK	1,866.3	259.4	13.9
Western Continental Europe	2,943.2	348.6	11.8
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	4,298.6	647.3	15.1
	14,388.9	2,145.2	14.9

	Revenue ¹ 2015 £m	Headline ² PBIT 2015 £m	Headline PBIT margin 2015 %
North America	4,491.2	731.7	16.3
UK	1,777.4	244.5	13.8
Western Continental Europe	2,425.6	279.1	11.5
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	3,541.0	528.2	14.9
	12,235.2	1,783.5	14.6

Notes:

¹ Intersegment sales have not been separately disclosed as they are not material.

² A reconciliation from reported profit before interest and taxation to headline PBIT is provided below

Notes to the financial statements (continued)

For the year ended 31 December 2016

2 Segment information (continued)

	2016	2015
	£m	£m
Non-current assets¹		
North America	8,281.7	6,323.7
UK	2,171.1	2,145.3
Western Continental Europe	4,373.1	3,611.8
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	4,402.4	3,427.3
	<u>19,228.3</u>	<u>15,508.1</u>

Note

¹ Non-current assets excluding financial instruments and deferred tax.

Reconciliation to non-GAAP measures of performance

Management includes non-GAAP measures as they consider these measures to be both useful and necessary. They are used by management for internal performance analyses; the presentation of these measures facilitates comparability with other companies, although management's measures may not be calculated in the same way as similarly titled measures reported by other companies; and these measures are useful in connection with discussions with the investment community.

Reconciliation of profit before interest and taxation to headline PBIT:

	2016	2015
	£m	£m
Profit before interest and taxation	2,097.8	1,688.5
Amortisation and impairment of acquired intangible assets	168.4	140.1
Goodwill impairment	27.0	15.1
Gains on disposal of investments and subsidiaries	(44.3)	(131.0)
Gains on re-measurement of equity interests arising from a change in scope of ownership	(232.4)	(165.0)
Investment write-downs	86.1	78.7
Restructuring costs	27.4	106.2
IT asset write-downs	-	29.1
Share of exceptional losses of associates	15.2	21.8
Headline PBIT/Headline operating profit	<u>2,145.2</u>	<u>1,783.5</u>

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

3 Operating costs

	Notes	2016 £m	2015 £m
Staff costs	5	7,782.8	6,650.3
Establishment costs		836.5	726.3
Other operating costs (net)		1,730.5	1,506.2
Total operating costs		10,349.8	8,882.8
Operating costs include:			
Goodwill impairment	12	27.0	15.1
Investment write-downs		86.1	78.7
Restructuring costs		27.4	106.2
IT asset write-downs		-	29.1
Amortisation and impairment of acquired intangible assets	12	168.4	140.1
Amortisation of other intangible assets	12	38.6	33.7
Depreciation of property, plant and equipment		215.2	190.0
Losses on sale of property, plant and equipment		0.8	1.1
Gains on disposal of investments		(44.3)	(131.0)
Gains on re-measurement of equity interests arising from a change in scope of ownership		(232.4)	(165.0)
Net foreign exchange gains		(17.0)	(10.7)
Operating lease rentals:			
Land and buildings		556.1	476.6
Sublease income		(11.6)	(11.3)
		544.5	465.3
Plant and machinery		10.6	18.3
		555.1	483.6

In 2016, operating profit includes credits totalling £26.3 million (2015: £31.6 million) relating to the release of excess provisions and other balances established in respect of acquisitions completed prior to 2015. Further details of the Group's approach to acquisition reserves, as required by IFRS 3 Business Combinations, are given in note 28.

Investment write-downs of £86.1 million (2015: £78.7 million) includes £79.6 million in relation to comScore Inc, which has not released any financial statements in relation to its 2015 or 2016 results due to an internal investigation by their Audit Committee. Following the announcement of this internal investigation, the market value of comScore Inc fell below the Group's carrying value. Other investment write-downs relate to certain non-core minority investments in the US where forecast financial performance and/or liquidity issues indicate a permanent

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

3 Operating costs (continued)

decline in the recoverability of the Group's investment.

In 2016, restructuring costs of £27.4 million (2015: £106.2 million) comprise £27.4 million (2015: £36.7 million) of costs resulting from the project to transform and rationalise the Group's IT services and infrastructure. Included within the restructuring costs in 2015 was £69.5 million arising from a structural reassessment of certain of the Group's operations, primarily in the mature markets of Western Europe.

Gains on disposal of investments and subsidiaries of £44.3 million (2015: £131.0 million) include £26.5 million of gains arising on the sale of the Group's equity interest in Grass Roots Group.

Gains on remeasurement of equity interests arising from a change in scope of ownership of £232.4 million in 2016 primarily comprise gains of £260.0 million in relation to the reclassification of the Group's interest in the Imagina Group in Spain from other investments to interest in associates, resulting from WPP attaining significant influence in the period; and losses of £23.2 million in relation to the merger of most of the Group's Australian and New Zealand assets with STW Communications Group Limited in Australia. The re-named WPP AUNZ became a listed subsidiary of the Group on 8 April 2016.

All of the operating costs of the Group are related to administrative expenses.

Auditors' remuneration:

	2016	2015
	£m	£m
The audit of the Company's subsidiaries pursuant to legislation	19.4	16.2
Other services pursuant to legislation	3.7	3.3
Fees payable to the auditors pursuant to legislation	23.1	19.5
Tax advisory services	1.6	1.8
Tax compliance services	1.3	1.0
Corporate finance services	0.1	0.2
Other services	5.7	6.5
Total non-audit fees ¹	8.7	9.5
Total fees	31.8	29.0

Note

¹ Other services include audits for earnout purposes.

Notes to the consolidated financial statements (continued)
For the year ended 31 December 2016

3 Operating costs (continued)

Minimum committed annual rentals

Amounts payable in 2017 under leases will be as follows:

	Plant and machinery			Land and buildings		
	2017 £m	2016 £m	2015 £m	2017 £m	2016 £m	2015 £m
In respect of operating leases which expire:						
- within one year	4.0	4.3	5.3	85.1	57.6	66.7
- within two to five years	10.5	9.7	10.8	287.9	240.3	223.9
- after five years		0.3	0.1	187.0	163.1	139.4
	<u>14.5</u>	<u>14.3</u>	<u>16.2</u>	<u>560.0</u>	<u>461.0</u>	<u>430.0</u>

Future minimum annual amounts payable under all lease commitments in existence at 31 December 2016 are as follows:

Year ending 31 December	Minimum rental payments £m	Less sub-let rentals £m	Net payment £m
2017	574.5	(9.3)	565.2
2018	491.1	(7.1)	484.0
2019	432.6	(4.9)	427.7
2020	406.3	(2.9)	403.4
2021	377.3	(2.6)	374.7
Later years	1,728.1	(5.6)	1,722.5
	<u>4,009.9</u>	<u>(32.4)</u>	<u>3,977.5</u>

4 Share of results of associates

Share of results of associates include:

	2016 £m	2015 £m
Share of profit before interest and taxation	97.1	95.2
Share of exceptional losses	(15.2)	(21.8)
Share of interest and non-controlling interests	(4.7)	(1.7)
Share of taxation	(27.4)	(24.7)
	<u>49.8</u>	<u>47.0</u>

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

5. Our people

Our staff numbers averaged 132,657 for the year ended 31 December 2016 against 124,930 in 2015. Their geographical distribution was as follows:

	2016	2015
North America	27,246	26,224
UK	14,070	13,401
Western Continental Europe	24,996	23,506
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	66,345	61,799
	<u>132,657</u>	<u>124,930</u>

Their operating sector distribution was as follows:

	2016	2015
Advertising and Media Investment Management	55,120	53,227
Data Investment Management	29,279	28,395
Public Relations & Public Affairs	9,054	8,492
Branding & Identity, Healthcare and Specialist Communications	39,204	34,816
	<u>132,657</u>	<u>124,930</u>

At the end of 2016 staff numbers were 134,341 (2015: 128,123). Including all employees of associated undertakings, this figure was approximately 198,000 at 31 December 2016 (2015: 190,000).

Staff costs include:

	Notes	2016 £m	2015 £m
Wages and salaries		5,394.0	4,576.5
Cash-based incentive plans		260.2	231.8
Share-based incentive plans	22	106.5	99.0
Social security costs		658.1	578.4
Pension costs	23	178.1	160.0
Severance		34.5	24.0
Other staff costs ¹		1,151.4	980.6
Total staff costs		<u>7,782.8</u>	<u>6,650.3</u>

Note

¹ Freelance and temporary staff costs are included in other staff costs.

Included above are charges of £15.5 million (2015: £16.7 million) for share-based incentive plans in respect of key management personnel (who comprise the directors of the WPP Group).

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

6 Remuneration of the directors

The directors received no remuneration during the year for services to the company (2015: nil).

7 Finance income, finance costs and revaluation of financial instruments

Finance income includes:

	Notes	2016 £m	2015 £m
Income from available for sale investments		12.5	18.9
Interest income		131.3	124.9
		<u>143.8</u>	<u>143.8</u>

Finance costs include:

		2016 £m	2015 £m
Net interest on pension plan liabilities	23	6.7	7.3
Interest on other long-term employee benefits		2.7	2.5
Interest payable and similar charges ¹		200.8	151.2
		<u>210.2</u>	<u>161.0</u>

Revaluation of financial instruments² include:

	2016 £m	2015 £m
Movements in fair value of treasury instruments	(10.9)	0.3
Movements in fair value of other derivatives	-	15.9
Revaluation of put options over non-controlling interests	(17.2)	(11.3)
Revaluation of payments due to vendors	(11.6)	(35.6)
	<u>(39.7)</u>	<u>(30.7)</u>

Notes

¹ Interest payable and similar charges are payable on bank overdrafts, bonds and bank loans held at amortised cost.

² Financial instruments are held at fair value through profit and loss.

The majority of the Group's long-term debt is represented by \$2,862 million of US dollar bonds at an average interest rate of 4.48%, €2,952 million of Eurobonds at an average interest rate of 1.85% and £600 million of Sterling bonds at an average interest rate of 4.04%.

Average borrowings under the US Dollar Revolving Credit Facilities (note 10) amounted to the equivalent of \$109 million at an average interest rate of 0.82%.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

7 Finance income, finance costs and revaluation of financial instruments (continued)

Average borrowings under the Australian dollar Revolving Credit Facilities, acquired as part of the merger of most of the Group's Australian and New Zealand assets with STW Communications Group Limited in Australia, amounted to A\$336 million at an average rate of 3.69%.

Average borrowings under the US Commercial Paper Program for 2016 amounted to \$293 million at an average interest rate of 0.75% inclusive of margin.

8 Taxation

The tax rate on reported PBT was 19.5% (2015: 16.6%). The reported tax rate is lower than the headline tax rate and is due to most of the gains on disposals of investments and subsidiaries and the gains on remeasurement of equity interest not being taxable.

The tax charge comprises:

	2016 £m	2015 £m
Corporation tax		
Current year	569.4	428.2
Prior years	(80.3)	(108.4)
	<u>489.1</u>	<u>319.8</u>
Deferred tax		
Current year	(88.0)	(35.8)
Prior years	(12.2)	(11.3)
	<u>(100.2)</u>	<u>(47.1)</u>
Tax charge	<u>388.9</u>	<u>272.7</u>

The corporation tax credit for prior years in 2016, and also in 2015, mainly comprises the release of a number of provisions following the resolution of tax matters in various countries.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

8 Taxation (continued)

The tax charge for the year can be reconciled to profit before taxation in the consolidated income statement as follows:

	2016 £m	2015 £m
Profit before taxation	1,991.7	1,640.6
Tax at the corporation tax rate of 20% ¹	398.3	332.2
Tax effect of share of results of associates	(10.0)	(9.5)
Irrecoverable withholding taxes	36.3	25.7
Items that are not deductible in determining taxable profit	9.4	25.4
Effect of different tax rates of subsidiaries operating in other jurisdictions	60.4	50.0
Origination and reversal of unrecognised temporary differences	(6.7)	(0.4)
Tax losses not recognised or utilised in the year	34.4	-
Utilisation of tax losses not previously recognised	(11.3)	(10.4)
Recognition of temporary differences not previously recognised	(29.4)	(20.6)
Net release of prior year provisions in relation to acquired businesses	(23.3)	(22.9)
Other prior year adjustments	(69.2)	(96.8)
Tax charge	388.9	272.7
Effective tax rate on profit before tax	19.5%	16.6%

Note:

¹ The parent company of the Group was tax resident in the UK. As such, the tax rate in the tax reconciliation for 2016 is the UK corporation tax rate of 20% (2015: 20.25%).

9 Ordinary dividends

No dividends were paid or declared in the periods presented for WPP Jubilee Limited.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

10 Sources of finance

The following table summarises the equity and debt financing of the Group, and changes during the year:

	Shares		Debt	
	2016 £m	2015 £m	2016 £m	2015 £m
Analysis of changes in financing				
Beginning of year	12,553.8	12,553.8	4,388.8	3,520.9
Net increase in drawings on bank loans and corporate bonds	-	-	369.6	674.0
Net amortisation of financing costs included in net debt	-	-	8.7	6.8
Debt acquired	-	-	144.4	-
Other movements	-	-	(7.7)	124.0
Exchange adjustments	-	-	733.1	63.1
End of year	12,553.8	12,553.8	5,636.9	4,388.8

Note

The above table excludes bank overdrafts which fall within cash and cash equivalents for the purposes of the consolidated cash flow statement.

Shares

At 31 December 2016, the Company's share base was entirely composed of ordinary equity share capital of £0.1 million (2015: £0.1 million) and share premium of £12,553.7 million (2015: £12,553.7 million), further details of which are disclosed in note 26.

Debt

US\$ bonds The Group has in issue \$812 million of 4.75% bonds due November 2021, \$500 million of 3.625% bonds due September 2022, \$750 million of 3.75% bonds due September 2024, \$300 million of 5.125% bonds due September 2042 and \$500 million of 5.625% bonds due November 2043.

Eurobonds The Group has in issue €252 million of 0.43% bonds due March 2018, €600 million of 0.75% bonds due November 2019, €750 million of 3% bonds due November 2023, €750 million of 2.25% bonds due September 2026 and €600 million of 1.625% bonds due March 2030.

Sterling bonds In September 2016, the Group issued £400 million of 2.875% bonds due September 2046. The Group has in issue £200 million of 6.375% bonds due November 2020.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

10 Sources of finance (continued)

Revolving Credit Facilities The Group has a five-year Revolving Credit Facility of \$2.5 billion due July 2021. The Group's borrowing under these facilities, which are drawn down predominantly in US dollars and pounds sterling, averaged the equivalent of \$109 million in 2016. In April 2016, the Group entered into a A\$520 million Revolving Credit Facility due April 2019. The Group's borrowings under the Australian dollar facilities were drawn down in Australian dollars and New Zealand dollars, averaged the equivalent of A\$336 million in 2016. The Group had available undrawn committed credit facilities of £2,122.3 million at December 2016 (2015: £1,696.8 million).

Borrowings under the \$2.5 billion Revolving Credit Facility are governed by certain financial covenants based on the results and financial position of the Group. Borrowings under the A\$520 million Revolving Credit Facility are governed by certain financial covenants based on the results and financial position of WPP AUNZ.

US Commercial Paper Program

The Group operates a commercial paper program using the Revolving Credit Facility as a backstop. The average commercial paper outstanding during the year was \$293 million. There was no US Commercial Paper outstanding at 31 December 2016.

The following table is an analysis of future anticipated cash flows in relation to the Group's debt, on an undiscounted basis which, therefore, differs from the fair value and carrying value:

	2016 £m	2015 £m
Within one year	(174.9)	(140.2)
Between one and two years	(389.5)	(140.2)
Between two and three years	(893.0)	(325.4)
Between three and four years	(369.1)	(581.6)
Between four and five years	(812.9)	(335.0)
Over five years	(5,144.7)	(4,459.5)
Debt financing under the Revolving Credit Facility and in relation to unsecured loan notes	(7,784.1)	(5,981.9)
Short-term overdrafts – within one year	(520.6)	(352.1)
Future anticipated cash flows	(8,304.7)	(6,334.0)
Effect of discounting/financing rates	2,144.1	1,593.1
Debt financing	(6,160.6)	(4,740.9)
Cash and short-term deposits	3,648.2	3,225.2
Net debt	(2,512.4)	(1,515.7)

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

10 Sources of finance (continued)

Analysis of fixed and floating rate debt by currency including the effect of interest rate and cross-currency swaps:

2016			Fixed	Floating	Period
Currency		£m	rate ¹	basis	(months) ¹
\$	- fixed	1,255.6	4.62%	n/a	212
	- floating	1,063.1	n/a	LIBOR	n/a
£	- fixed	600.0	4.04%	n/a	257
€	- fixed	2,521.9	1.85%	n/a	93
Other		196.3	n/a	n/a	n/a
		<u>5,636.9</u>			
2015			Fixed	Floating	Period
Currency		£m	rate ¹	basis	(months) ¹
\$	- fixed	1,052.0	4.62%	n/a	224
	- floating	890.7	n/a	LIBOR	n/a
£	- fixed	200.0	6.38%	n/a	59
€	- fixed	2,177.1	1.85%	n/a	105
Other		69.0	n/a	n/a	n/a
		<u>4,388.8</u>			

Note:

¹Weighted average. These rates do not include the effect of gains on interest rate swap terminations that are written to income over the life of the original instrument.

Notes to the consolidated financial statements (continued)
For the year ended 31 December 2016

10 Sources of finance (continued)

The following table is an analysis of future anticipated cash flows in relation to the Group's financial derivatives, which include interest rate and foreign exchange swaps, cash flow hedges and other foreign exchange swaps:

	Financial liabilities		Financial assets	
	Payable	Receivable	Payable	Receivable
	£m	£m	£m	£m
2016				
Within one year	183.2	183.0	82.0	91.4
Between one and two years	19.2	20.6	51.7	55.4
Between two and three years	18.8	18.1	57.5	58.5
Between three and four years	20.0	18.1	61.2	60.5
Between four and five years	20.7	18.1	1,687.3	1,686.1
Over five years	521.3	518.1	-	-
	783.2	776.0	1,939.7	1,951.9
2015				
Within one year	55.2	50.6	71.0	91.9
Between one and two years	40.7	39.4	76.1	87.3
Between two and three years	17.4	17.6	52.8	56.7
Between three and four years	18.4	19.1	55.6	56.7
Between four and five years	20.3	20.8	58.1	56.7
Over five years	834.1	834.2	1,393.6	1,387.2
	986.1	981.7	1,707.2	1,736.5

Included in these amounts are anticipated cash flows in relation to cash flow hedges.

Notes to the consolidated financial statements (continued)
For the year ended 31 December 2016

11 Analysis of cash flows

Net cash from operating activities:	2016	2015
	£m	£m
Profit for the year	1,602.8	1,367.9
Taxation	388.9	272.7
Revaluation of financial instruments	39.7	30.7
Finance costs	210.2	161.0
Finance income	(143.8)	(143.8)
Share of results of associates	(49.8)	(47.0)
Operating profit	2,048.0	1,641.5
Adjustments for:		
Non-cash share-based incentive plans (including share options)	106.5	99.0
Depreciation of property, plant and equipment	220.8	194.7
Impairment of goodwill	27.0	15.1
Amortisation and impairment of acquired intangible assets	168.4	140.1
Amortisation of other intangible assets	38.6	33.7
Investment write-downs	86.1	78.7
Gains on disposal of investments and subsidiaries	(44.3)	(131.0)
Gains on re-measurement of equity interests arising from a change in scope of ownership on acquisition of controlling interest	(232.4)	(165.0)
Losses on sale of property, plant and equipment	0.8	1.1
Operating cash flow before movements in working capital and provisions	2,419.5	1,907.9
(Increase)/Decrease in inventories and work in progress	(16.7)	7.8
Increase in trade receivables and accrued income	(53.2)	(882.6)
Decrease/(increase) in other receivables	77.4	(39.0)
Increase in trade payables and deferred income	188.7	713.4
Decrease in other payables – short term	(1,314.1)	(985.7)
Increase in other payables – long term	4.5	24.2
Decrease in provisions	(47.8)	(62.3)
Cash generated by operations	1,258.3	683.7
Corporation and overseas tax paid	(414.2)	(301.2)
Interest and similar charges paid	(180.2)	(132.3)
Interest received	73.9	48.7
Investment income	12.5	4.9
Dividends from associates	60.4	72.6
Net cash inflow from operating activities	810.7	376.4

Notes to the consolidated financial statements (continued)
For the year ended 31 December 2016

11 Analysis of cash flows (continued)

The following tables analyse the items included within the main cash flow headings on page 10:

Acquisitions and disposals:

	2016 £m	2015 £m
Initial cash consideration	(577.0)	(645.1)
Cash and cash equivalents acquired (net)	57.3	57.7
Earnout payments	(92.3)	(43.9)
Purchase of other investments (including associates)	(260.2)	(283.2)
Proceeds on disposal of investments	80.5	63.4
Acquisitions and disposals	(791.7)	(851.1)
Cash consideration for non-controlling interests	(58.3)	(23.6)
Net cash inflow	(850.0)	(874.7)

Net increase in borrowings:

	2016 £m	2015 £m
Proceeds from issue of £400 million bonds	400.0	-
Proceeds from issue of €600 million bonds	-	858.7
Repayment of €500 million bonds	-	(481.9)
(Decrease)/increase in drawings on bank loans	(30.4)	128.9
Net cash inflow	369.6	505.7

Cash and cash equivalents:

	2016 £m	2015 £m
Cash at bank and in hand	3,467.5	3,070.6
Short-term bank deposits	180.7	154.6
Overdrafts ¹	(520.6)	(352.1)
Cash and cash equivalents at end of the year	3,127.6	2,873.1

Note:

¹ Bank overdrafts are included in cash and cash equivalents because they form an integral part of the Group's cash management.

The Group considers that the carrying amount of cash and cash equivalents approximates its fair value.

Notes to the consolidated financial statements (continued)
For the year ended 31 December 2016

12 Intangible assets

Goodwill

The movements in 2016 and 2015 were as follows:

	£m
Cost:	
1 January 2015	10,583.0
Additions ¹	763.6
Revision of earnout estimates	19.9
Exchange adjustments	(72.3)
31 December 2015	11,294.2
Additions ¹	796.6
Revision of earnout estimates	28.4
Exchange adjustments	1,820.2
31 December 2016	13,939.4
Accumulated impairment losses and write-downs:	
1 January 2015	603.6
Impairment losses for the period	15.1
Exchange adjustments	4.9
31 December 2015	623.6
Impairment losses for the year	20.0
Exchange adjustments	81.5
31 December 2016	725.1
Net book value:	
31 December 2016	13,214.3
31 December 2015	10,670.6
1 January 2015	9,979.4

Note:

¹Additions represent goodwill arising on the acquisition of subsidiary undertakings including the effect of any revisions to fair value adjustments that has been determined provisionally at the immediately preceding balance sheet date, as permitted by IFRS 3 Business Combinations. The effect of such revisions was not material in the period presented. Goodwill arising on the acquisition of associate undertakings is shown within interests in associates and joint ventures in note 14.

Notes to the consolidated financial statements (continued)
For the year ended 31 December 2016

12 Intangible assets (continued)

Cash-generating units with significant goodwill as at 31 December are:

	2016 £m	2015 £m
GroupM	2,966.2	2,390.7
Kantar	2,573.0	2,223.4
Wunderman	1,297.1	1,083.3
Y&R Advertising	1,140.3	946.9
Burson-Marsteller	590.3	482.6
Other	4,647.4	3,543.7
Total goodwill	13,214.3	10,670.6

Other goodwill represents goodwill on a large number of cash-generating units, none of which is individually significant in comparison to the total carrying value of goodwill.

Notes to the consolidated financial statements (continued)
For the year ended 31 December 2016

12. Intangible assets (continued)

Other intangible assets

The movements in 2016 and 2015 were as follows:

	Brands with an indefinite useful life £m	Acquired intangibles £m	Other £m	Total £m
Cost:				
1 January 2015	969.3	1,784.2	313.0	3,066.5
Additions	-	-	36.1	36.1
Disposals	-	-	(19.2)	(19.2)
New acquisitions	-	230.7	2.4	233.1
Other movements ¹	-	6.7	(4.1)	2.6
Exchange adjustments	(1.2)	(14.5)	2.8	(12.9)
31 December 2015	968.1	2,007.1	331.0	3,306.2
Additions	-	-	33.0	33.0
Disposals	-	(0.8)	(42.2)	(43.0)
New acquisitions	-	319.1	10.5	329.6
Other movements ¹	-	11.6	4.7	16.3
Exchange adjustments	173.2	198.5	67.1	438.8
31 December 2016	1,141.3	2,535.5	404.1	4,080.9
Amortisation and impairment:				
1 January 2015	-	1,187.3	210.3	1,397.6
Charge for the year	-	135.7	33.7	169.4
Disposals	-	-	(18.3)	(18.3)
IT asset write-downs	-	-	29.1	29.1
Other movements	-	-	7.3	7.3
Exchange adjustments	-	16.5	3.8	20.3
31 December 2015	-	1,339.5	251.3	1,590.8
Charge for the year	-	163.3	38.6	201.9
Disposals	-	(0.4)	(39.5)	(39.9)
Other movements	-	-	2.0	2.0
Exchange adjustments	-	60.6	48.2	108.8
31 December 2016	-	1,563.0	300.6	1,863.6
Net book value:				
31 December 2016	1,141.3	972.5	103.5	2,217.3
31 December 2015	968.1	667.6	79.7	1,715.4

Note

¹ Other movements in acquired intangibles include revisions to fair value adjustments arising on the acquisition of subsidiary undertakings that had been determined provisionally at the immediately preceding balance sheet date, as permitted by IFRS 3 Business Combinations.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

12: Intangible assets (continued)

Brands with an indefinite life are carried at historical cost in accordance with the Group's accounting policy for intangible assets. The carrying values of the separately identifiable brands are not individually significant in comparison with the total carrying value of brands with an indefinite useful life.

Acquired intangible assets at net book value at 31 December 2016 include brand names of £486.2 million (2015: £401.0 million), customer-related intangibles of £448.9 million (2015: £239.9 million) and other assets (including proprietary tools) of £37.4 million (2015: £26.7 million).

The total amortisation and impairment of acquired intangible assets of £168.4 million (2015: £140.1 million) includes £5.1 million (2015: £4.4 million) in relation to associates.

In accordance with the Group's accounting policy, the carrying values of goodwill and intangible assets with indefinite useful lives are reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the asset might be impaired.

The carrying values of brands with an indefinite useful life are assessed for impairment purposes by using the royalty and loyalty methods of valuation, both of which utilise the net present value of future cash flows associated with the brands.

The goodwill impairment review is undertaken annually on 30 September. The review assessed whether the carrying value of goodwill was supported by the net present value of future cash flows, using a pre-tax discount rate of 8.5% (2015: 8.5%) and management forecasts for a projection period of up to five years, followed by an assumed annual long-term growth rate of 3.0% (2015: 3.0%) and no assumed improvement in operating margin. Management have made the judgement that this long-term growth rate does not exceed the long-term average growth rate for the industry.

The goodwill impairment charge of £27.0 million (2016: £15.1 million) relates to a number of under-performing businesses in the Group, of which £7.0 million (2015: nil) is in relation to associates. In certain markets, the impact of local economic conditions and trading circumstances on these businesses was sufficiently severe to indicate impairment to the carrying value of goodwill.

Under IFRS, an impairment charge is required for both goodwill and other indefinite-lived assets when the carrying amount exceeds the 'recoverable amount', defined as the higher of fair value less costs to sell and value in use.

Our approach in determining the recoverable amount utilises a discounted cash flow methodology, which necessarily involves making numerous estimates and assumptions regarding revenue growth, operating margins, appropriate discount rates and working capital requirements.

These estimates will likely differ from future actual results of operations and cash flows, and it is possible that these differences could be material. In addition, judgements are applied in determining the level of cash-generating unit identified for impairment testing and the criteria used to determine which assets should be aggregated. A difference in testing levels could affect whether an impairment is recorded and the extent of impairment loss. Changes in our business

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

12 Intangible assets (continued)

activities or structure may also result in changes to the level of testing in future periods. Further, future events could cause the Group to conclude that impairment indicators exist and that the asset values associated with a given operation have become impaired. Any resulting impairment loss could have a material impact on the Group's financial condition and results of operations.

Historically, our impairment losses have resulted from a specific event, condition or circumstance in one of our companies, such as the loss of a significant client. As a result, changes in the assumptions used in our impairment model have not had a significant effect on the impairment charges recognised and a reasonably possible change in assumptions would not lead to a significant impairment. The carrying value of goodwill and other intangible assets will continue to be reviewed at least annually for impairment and adjusted to the recoverable amount if required.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

13 Property, plant and equipment

The movements in 2016 and 2015 were as follows:

	Land £m	Freehold buildings £m	Leasehold buildings £m	Fixtures, fittings and equipment £m	Computer equipment £m	Total £m
Cost:						
1 January 2015	37.1	110.3	784.7	334.7	598.4	1,865.2
Additions	-	0.4	107.2	39.4	63.3	210.3
New acquisitions	-	1.2	2.2	13.3	4.4	21.1
Disposals	-	(12.6)	(68.2)	(37.7)	(55.9)	(174.4)
Exchange adjustments	-	2.9	11.5	(11.4)	(7.3)	(4.3)
31 December 2015	37.1	102.2	837.4	338.3	602.9	1,917.9
Additions	-	1.3	107.9	55.9	87.0	252.1
New acquisitions	-	-	7.9	6.5	6.2	20.6
Disposals	-	(0.3)	(83.2)	(46.1)	(106.4)	(236.0)
Exchange adjustments	-	23.2	142.5	48.0	153.7	367.4
31 December 2016	37.1	126.4	1,012.5	402.6	743.4	2,322.0
Depreciation:						
1 January 2015	-	22.5	412.4	203.4	454.4	1,092.7
Charge for the period	-	5.2	70.5	40.9	78.1	194.7
Disposals	-	(7.7)	(64.8)	(29.5)	(54.5)	(156.5)
Exchange Adjustments	-	(0.8)	5.1	(5.9)	(9.1)	(10.7)
31 December 2015	-	19.2	423.2	208.9	468.9	1,120.2
Charge for the year	-	4.3	81.1	45.7	89.7	220.8
Disposals	-	(0.6)	(77.8)	(49.2)	(101.4)	(229.0)
Exchange Adjustments	-	2.3	83.3	34.6	121.1	241.3
31 December 2016	-	25.2	509.8	240.0	578.3	1,353.3
Net book value:						
31 December 2016	37.1	101.2	502.7	162.6	165.1	968.7
31 December 2015	37.1	83.0	414.2	129.4	134.0	797.7

At the end of the year, capital commitments contracted, but not provided for in respect of property, plant and equipment were £22.1 million (2015: £61.3 million).

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

14 Interests in associates, joint ventures and other investments

The movements in 2016 and 2015 were as follows:

	Net assets of associates and joint ventures £m	Goodwill and other intangibles of associates and joint ventures £m	Total associates and joint ventures £m	Other investments £m
1 January 2015	419.2	340.7	759.9	909.4
Additions	(18.7)	-	(18.7)	538.7
Goodwill arising on acquisition of new associates	-	124.8	124.8	-
Share of results of associate undertakings (note 4)	47.0	-	47.0	-
Dividends	(75.1)	-	(75.1)	-
Other movements	5.1	5.7	10.8	-
Exchange adjustments	(7.9)	(5.8)	(13.7)	18.9
Disposals	(46.7)	(1.6)	(48.3)	(161.9)
Reclassification from/(to) subsidiaries	11.2	(34.9)	(23.7)	-
Revaluation of other investments	-	-	-	200.4
Amortisation of other intangible assets	-	(4.4)	(4.4)	-
Write-downs	-	-	-	(78.7)
31 December 2015	334.1	424.5	758.6	1,426.8
Additions	(1.3)	-	(1.3)	386.4
Goodwill arising on acquisition of new associates	-	292.2	292.2	-
Share of results of associate undertakings (note 4)	49.8	-	49.8	-
Dividends	(60.4)	-	(60.4)	-
Other movements	(45.3)	52.4	7.1	-
Reclassification from other investments to associates	43.6	30.7	74.3	(74.3)
Exchange adjustments	61.6	50.1	111.7	170.4
Disposals	(12.7)	-	(12.7)	(184.5)
Reclassification to subsidiaries	(44.2)	(88.8)	(133.0)	(0.2)
Revaluation of other investments	-	-	-	(81.3)
Amortisation of other intangible assets	-	(5.1)	(5.1)	-
Goodwill impairment	-	(7.0)	(7.0)	-
Write-downs	(4.8)	-	(4.8)	(81.3)
31 December 2016	320.4	749.0	1,069.4	1,562.0

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

14 Interests in associates, joint ventures and other investments (continued)

The investments included above as 'other investments' represent investments in equity securities that present the Group with opportunity for return through dividend income and trading gains. They have no fixed maturity or coupon rate. The fair values of the listed securities are based on quoted market prices. For unlisted securities, where market value is not available, the Group has estimated relevant fair values on the basis of publicly available information from outside sources or on the basis of discounted cash flow models where appropriate.

The carrying values of the Group's associates and joint ventures are reviewed for impairment in accordance with the Group's accounting policies.

Also included in 'other investments' are the Group's holdings in WPP plc shares purchased by the Employee Share Ownership Plan ('ESOP') trusts for the purpose of funding certain of the Group's long-term incentive plans in WPP plc, details of which are disclosed in the Compensation Committee report on pages 121 to 153 of the Annual Report of WPP plc.

The Group's principal associates and joint ventures at 31 December 2016 included:

2016	% owned	Country of incorporation
Asatsu-DK Inc.	24.6	Japan
Barrows Design and Manufacturing (Pty) Limited	35.0	South Africa
Chime Communications Ltd	24.9	UK
CTR Market Research Company Limited	46.0	China
CVSC Sofres Media Co Limited	40.0	China
GIIR, Inc	30.0	Korea
Globant S.A. ¹	19.5	Argentina
Haworth Marketing & Media Company	49.0	USA
High Co SA	34.1	France
Imagina	23.5	Spain
Marktest Investimentos SGPS S.A.	43.1	Portugal
Smollan Holdings (Pty) Ltd	24.8	South Africa

Note

¹ Although the Group holds less than 20% of Globant S.A, it is considered to be an associate as the Group exercises significant influence over the entity.

The market value of the Group's shares in its principal listed associate undertakings at 31 December 2016 was as follows: Asatsu-DK Inc: £202.9 million, GIIR Inc: £26.9 million, Globant SA: £180.7 million and High Co SA: £21.0 million (2015: Asatsu-DK Inc: £171.6 million, GIIR Inc: £25.2 million, Globant SA: £170.3 million and High Co SA: £27.2 million).

The carrying value (including goodwill and other intangibles) of these equity interests in the Group's consolidated balance sheet at 31 December 2016 was as follows: Asatsu-DK Inc: £134.5 million, GIIR Inc: £37.9 million, Globant SA: £78.5 million and High Co SA: £31.4 million (2015: Asatsu-DK Inc: £120.1 million, GIIR Inc: £30.4 million, Globant SA: £61.9 million and High Co SA: £28.6 million).

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

14 Interests in associates, joint ventures and other investments (continued)

Where the market value of the Group's listed associates is less than the carrying value, an impairment review is performed utilising the discounted cash flow methodology discussed in note 12.

The Group's investments in its principal associate undertakings are represented by ordinary shares.

Summarised financial information

The following tables present a summary of the aggregate financial performance and net asset position of the Group's associate undertakings and joint ventures. These have been estimated and converted, where appropriate, to an IFRS presentation based on information provided by the relevant companies at 31 December 2016.

	2016 £m	2015 £m
Income statement		
Revenue	2,254.5	2,049.5
Operating profit	308.3	283.7
Profit before taxation	237.2	236.5
Profit for the year	156.7	162.0
	<hr/>	<hr/>
	2016 £m	2015 £m
Balance sheet		
Assets	4,223.1	3,912.4
Liabilities	(1,900.0)	(1,906.2)
Net assets	2,323.1	2,006.2
	<hr/>	<hr/>

The application of equity accounting is ordinarily discontinued when the investment is reduced to zero and additional losses are not provided for unless the investor has guaranteed obligations of the investee or is otherwise committed to provide further financial support for the investee.

At the end of the year, capital commitments contracted, but not provided for in respect of interests in associates and other investments were £89.2 million (2015: £93.1 million).

Notes to the consolidated financial statements (continued)
For the year ended 31 December 2016

15 Deferred tax

The Group's deferred tax assets and liabilities are measured at the end of each period in accordance with IAS 12. The recognition of deferred tax assets is determined by reference to the Group's estimate of recoverability, using models where appropriate to forecast future taxable profits.

Deferred tax assets are recognised in relation to an element of the Group's defined benefit pension provisions. Assets have only been recognised for territories where the Group considers that it is probable there would be sufficient taxable profits for the future deductions to be utilised.

Based on available evidence, both positive and negative, we determine whether it is probable that all or a portion of the deferred tax asset will be realised. The main factors that we consider include:

- The future earnings potential determined through the use of internal forecasts;
- The cumulative losses in recent years;
- The various jurisdictions in which the potential deferred assets arise;
- The history of losses carried forward and other tax assets expiring;
- The timing of future reversal of taxable temporary differences;
- The expiry period associated with the deferred tax assets; and
- The nature of the income that can be used to realise the deferred tax asset.

If it is probable that some portion of these assets will not be realised, then no asset is recognised in relation to that portion.

If market conditions improve and future results of operations exceed our current expectations, our existing recognised deferred tax asset may be adjusted, resulting in future tax benefits. Alternatively, if market conditions deteriorate further or future results of operations are less than expected, future assessments may result in a determination that some or all of the deferred tax assets are not realisable. As a result, all or a portion of the deferred tax asset may need to be reversed.

Certain deferred tax assets and liabilities have been offset as they relate to the same tax group. The following is the analysis of the deferred tax balances for financial reporting purposes:

	Gross	Offset	As reported	Gross	Offset	As reported
	2016	2016	2016	2015	2015	2015
	£m	£m	£m	£m	£m	£m
Deferred tax assets	598.0	(457.6)	140.4	410.7	(316.6)	94.1
Deferred tax liabilities	(1,150.0)	457.6	(692.4)	(868.9)	316.6	(552.3)
	(552.0)	-	(552.0)	(458.2)	-	(458.2)

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

15 Deferred tax (continued)

The following are the major gross deferred tax assets recognised by the Group and movements thereon in 2016 and 2015:

	Deferred compensation	Accounting provisions & accruals	Retirement benefit obligations	Property, plant & equipment	Tax losses & credits	Share-based payments	Restructuring provisions	Other temporary differences	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m
1 January 2015	45.5	51.5	106.4	41.4	48.1	71.5	20.4	22.0	406.8
(Charge)/credit to income	(5.8)	(2.9)	(12.0)	2.1	20.4	(3.3)	11.2	(5.1)	4.6
Charge to other comprehensive income	-	-	(5.2)	-	-	-	-	-	(5.2)
Credit to equity	-	-	-	-	-	6.4	-	-	6.4
Exchange differences	2.2	0.9	1.8	1.2	2.8	4.2	(0.5)	(0.3)	12.3
Transfer to current tax creditor	-	-	-	-	-	-	(14.2)	-	(14.2)
31 December 2015	41.9	49.5	91.0	44.7	71.3	78.8	16.9	16.6	410.7
Acquisition of subsidiaries	-	7.1	-	-	-	0.2	-	15.0	22.3
Credit/(charge) to income	39.5	8.5	28.3	19.2	6.2	(1.8)	(11.7)	7.7	95.9
Charge to other comprehensive income	-	-	1.8	-	-	-	-	-	1.8
Charge to equity	-	-	-	-	-	(15.0)	-	-	(15.0)
Exchange differences	14.2	15.5	20.3	6.9	12.2	13.6	0.7	(1.1)	82.3
At 31 December 2016	95.6	80.6	141.4	70.8	89.7	75.8	5.9	38.2	598.0

Other temporary differences comprise a number of items, none of which is individually significant to the Group's consolidated balance sheet.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

15 Deferred tax (continued)

In addition the Group has recognised the following gross deferred tax liabilities and movements thereon in 2016 and 2015:

	Brands and other intangibles	Associate earnings	Goodwill	Property, plant & equipment	Financial instruments	Other temporary differences	Total
	£m	£m	£m	£m	£m	£m	£m
1 January 2015	558.2	19.6	163.7	30.8	49.7	12.7	834.7
Acquisition of subsidiaries	73.4	—	—	—	—	0.4	73.8
(Credit)/charge to income	(44.2)	2.7	4.7	(1.6)	(1.8)	(2.4)	(42.6)
Exchange adjustments	(10.3)	0.2	8.3	1.7	2.8	0.3	3.0
31 December 2015	577.1	22.5	176.7	30.9	50.7	11.0	868.9
Acquisition of subsidiaries	114.8	—	—	—	—	—	114.8
(Credit)/charge to income	(51.3)	3.1	23.5	(0.4)	3.5	17.3	(4.3)
Charge to other comprehensive income	—	—	—	—	—	2.2	2.2
Exchange differences	115.3	2.7	32.3	5.7	9.8	2.6	168.4
31 December 2016	755.9	28.3	232.5	36.2	64.0	33.1	1,150.0

At the balance sheet date, the Group has gross tax losses and other temporary differences of £5,064.8 million (2015: £4,502.4 million) available for offset against future profits. Deferred tax assets have been recognised in respect of the tax benefit of £1,104.4 million (2015: £1,186.3 million) of such tax losses and other temporary differences. No deferred tax asset has been recognised in respect of the remaining £3,960.4 million (2015: £3,316.1 million) of losses and other temporary differences as the Group considers that there will not be enough taxable profits in the entities concerned such that any additional asset could be considered recoverable. Included in the total unrecognised temporary differences are losses of £42.4 million that will expire within 1–10 years, and £3,400.9 million of losses that may be carried forward indefinitely.

At the balance sheet date, the aggregate amount of the temporary differences in relation to the investment in subsidiaries for which deferred tax liabilities have not been recognised was £3,270.8 million. No liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and the Group considers that it is probable that such differences will not reverse in the foreseeable future.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

16 Inventory and work in progress

The following are included in the net book value of inventory and work in progress:

	2016	2015
	£m	£m
Work in progress	383.1	315.1
Inventory	17.3	13.9
	<u>400.4</u>	<u>329.0</u>

17 Trade and other receivables

The following are included in trade and other receivables:

Amounts falling due within one year:

	2016	2015
	£m	£m
Trade receivables (net of bad debt provision)	8,054.2	6,799.4
VAT and sales taxes recoverable	157.2	154.9
Prepayments	300.5	226.0
Accrued income	3,353.8	2,853.8
Fair value of derivatives	4.4	4.6
Amounts due from parent company	2,659.2	2,436.6
Other debtors	492.7	456.2
	<u>15,022.0</u>	<u>12,931.5</u>

The ageing of trade receivables and other financial assets is as follows:

	Carrying amount at:31 December 2016 £m	Neither past due nor impaired £m	Past due but not impaired				Greater than:1 year £m
			0 – 30 days £m	31 – 90 days £m	91 – 180 Days £m	181 days – 1 year £m	
Trade receivables	8,054.2	5,545.6	1,611.0	683.6	156.6	37.2	20.2
Due from parent company	4,022.6	4,022.6	-	-	-	-	-
Other financial assets	512.8	343.3	91.3	16.3	6.7	11.9	43.3
	12,589.6	9,911.5	1,702.3	699.9	163.3	49.1	63.5

	Carrying amount at 31 December 2015	Neither past due nor impaired	Past due but not impaired				Greater than 1 year
			0 – 30 days	31 – 90 days	91 – 180 Days	181 days – 1 year	
			£m	£m	£m	£m	
Trade receivables	6,799.4	4,290.7	1,704.0	631.9	133.0	35.4	4.4
Due from parent company	3,037.1	3,037.1	-	-	-	-	-
Other financial assets	462.0	274.2	107.6	23.8	5.1	19.1	32.2
	10,298.5	7,602.0	1,811.6	655.7	138.1	54.5	36.6

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

17 Trade and other receivables (continued)

Other financial assets are included in other debtors.

Past due amounts are not impaired where collection is still considered likely.

Amounts falling due after more than one year:

	2016	2015
	£m	£m
Prepayments	3.7	1.5
Accrued income	9.5	5.8
Fair value of derivatives	8.3	20.6
Amounts due from parent company	1,363.4	600.5
Other debtors	183.4	131.7
	<u>1,568.3</u>	<u>760.1</u>

Movements on bad debt provisions were as follows:

	2016	2015
	£m	£m
Balance at beginning of year	85.4	85.3
New acquisitions	1.8	1.0
Charged to operating costs	15.5	21.6
Exchange adjustments	13.7	0.2
Utilisations and other movements	(22.6)	(22.7)
Balance at end of year	<u>93.8</u>	<u>85.4</u>

The allowance for bad and doubtful debts is equivalent to 1.2% (2015: 1.2%) of gross trade accounts receivable.

The Group considers that the carrying amount of trade and other receivables approximates their fair value.

18 Trade and other payables: amounts falling due within one year

The following are included in trade and other payables falling due within one year:

	2016	2015
	£m	£m
Trade payables	10,308.3	8,538.3
Payments due to vendors (earnout agreements)	277.5	126.0
Liabilities in respect of put option agreements with vendors	51.0	51.1
Deferred income	1,312.7	1,081.0
Fair value of derivatives	4.1	0.7
Amounts due to parent company	1,628.7	1,685.5
Other creditors and accruals	3,061.1	2,871.4
	<u>16,643.4</u>	<u>14,354.0</u>

The Group considers that the carrying amount of trade and other payables approximates their fair value.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

19 Trade and other payables: amounts falling due after more than one year

The following are included in trade and other payables falling due after more than one year:

	2016	2015
	£m	£m
Payments due to vendors (earnout agreements)	699.0	455.3
Liabilities in respect of put option agreements with vendors	246.0	183.3
Fair value of derivatives	1.8	2.3
Other creditors and accruals	327.0	250.6
	1,273.8	891.5

The Group considers that the carrying amount of trade and other payables approximates their fair value.

The following tables sets out payments due to vendors, comprising deferred consideration and the directors' best estimates of future earnout-related obligations:

	2016	2015
	£m	£m
Within one year	277.5	126.0
Between one and two years	220.1	104.9
Between two and three years	170.2	105.1
Between three and four years	176.6	110.9
Between four and five years	122.4	122.5
Over five years	9.7	11.9
	976.5	581.3

	2016	2015
	£m	£m
At the beginning of the year	581.3	311.4
Earnouts paid (note 11)	(92.3)	(43.9)
New acquisitions	359.5	262.2
Revision of estimates taken to goodwill (note 12)	28.4	19.9
Revaluation of payments due to vendors (note 6)	11.6	35.6
Exchange adjustments	88.0	(3.9)
At the end of the year	976.5	581.3

As of 31 December 2016, the potential undiscounted amount of future payments that could be required under the earnout agreements for acquisitions completed in the current year and for all earnout agreements range from £nil to £453 million (2015: £nil to £378 million) and £nil to £2,108 million (2015: £nil to £1,645 million), respectively. The increase in the maximum potential undiscounted amount of future payments for all earnout agreements is due to earnout arrangements related to new acquisitions partially offset by earnout arrangements that have completed and payments made on active arrangements during the year.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

20 Bank overdrafts, bonds and bank loans

Amounts falling due within one year:

	2016	2015
	£m	£m
Bank overdrafts	520.6	352.1
Corporate bonds and bank loans	65.2	129.0
	<u>585.8</u>	<u>481.1</u>

The Group considers that the carrying amount of overdrafts and short-term borrowings approximates their fair value.

Amounts falling due after more than one year:

	2016	2015
	£m	£m
Corporate bonds and bank loans	<u>5,571.7</u>	<u>4,259.8</u>

The Group estimates that the fair value of corporate bonds is £5,697.0 million at 31 December 2016 (2015: £4,319.9 million). The Group considers that the carrying amount of bank loans approximates their fair value.

The corporate bonds, bank loans and overdrafts included within creditors fall due for repayment as follows:

	2016	2015
	£m	£m
Within one year	585.8	481.0
Between one and two years	214.8	1.9
Between two and three years	717.2	185.1
Between three and four years	195.7	440.6
Between four and five years	660.9	194.2
Over five years	<u>3,783.1</u>	<u>3,438.1</u>
	<u>6,157.5</u>	<u>4,740.9</u>

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

21 Provisions for liabilities and charges

The movements in 2016 and 2015 were as follows:

	Property £m	Other £m	Total £m
1 January 2015	44.5	121.9	166.4
Charged to the income statement	9.2	15.6	24.8
Acquisitions ¹	13.3	11.2	24.5
Utilised	(7.2)	(11.4)	(18.6)
Released to the income statement	(2.8)	(10.9)	(13.7)
Transfers	(3.0)	2.5	(0.5)
Exchange adjustments	(1.3)	2.0	0.7
31 December 2015	52.7	130.9	183.6
Charged to the income statement	5.8	14.5	20.3
Acquisitions ¹	11.1	3.9	15.0
Utilised	(14.7)	(18.1)	(32.8)
Released to the income statement	(2.9)	(3.7)	(6.6)
Transfers	(1.6)	14.6	13.0
Exchange adjustments	8.1	27.3	35.4
31 December 2016	58.5	169.4	227.9

Note

¹ Acquisitions include £3.4 million (2015: £13.5 million) of provisions arising from revisions to fair value adjustments related to the acquisition of subsidiary undertakings that had been determined provisionally at the immediately preceding balance sheet date, as permitted by IFRS 3 Business Combinations.

Provisions comprise liabilities where there is uncertainty about the timing of settlement, but where a reliable estimate can be made of the amount. These include provisions for vacant space, sub-let losses and other property-related liabilities. Also included are other provisions, such as certain long-term employee benefits and legal claims, where the likelihood of settlement is considered probable.

The Company and several of its subsidiaries are, from time to time, parties to legal proceedings and claims which arise in the ordinary course of business. The directors do not anticipate that the outcome of these proceedings and claims will have a material adverse effect on the Group's financial position or on the results of its operations.

Notes to the consolidated financial statements (continued)
For the year ended 31 December 2016

22 Share-based payments

Charges for share-based incentive plans over continuing operations were as follows:

	2016	2015
	£m	£m
Share-based payments	106.5	99.0

Share-based payments comprise charges for stock options and restricted stock awards to employees of the Group. All share options are over the share capital of WPP plc.

As at 31 December 2016, there was £175.9 million (2015: £162.0 million) of total unrecognised compensation cost related to the Group's restricted stock plans. That cost is expected to be recognised over a period of one to two years.

Further information on stock options is provided in note 26.

Restricted stock plans

The Group operates a number of equity-settled share incentive schemes, in most cases satisfied by the delivery of stock from one of the Group's ESOP Trusts. The most significant current schemes are as follows:

Leadership Equity Acquisition Plan III (LEAP III)

Under LEAP III, the most senior executives of the Group, including certain executive directors, commit WPP shares ('investment shares') in order to have the opportunity to earn additional WPP shares ('matching shares'). The number of matching shares which a participant can receive at the end of the fixed performance period of five years is dependent on the performance (based on the Total Shareholder Return (TSR)) of the Company over that period against a comparator group of other listed communications services companies. The 2012 LEAP III plan vested in March 2017 at a match of 5.0 shares for each investment share, the maximum match possible. The last LEAP III award was granted in 2012 and no further awards will be made following the introduction of the EPSP.

Executive Performance Share Plan (EPSP)

The first grant of restricted stock under the EPSP was made in 2013. This scheme is intended to reward and incentivise the most senior executives of the Group and has effectively replaced LEAP III. The performance period is five complete financial years, commencing with the financial year in which the award is granted. The vest date will usually be in the March following the end of the five-year performance period. Vesting is conditional on continued employment throughout the vesting period.

There are three performance criteria, each constituting one-third of the vesting value, and each measured over this five-year period:

- (i) TSR against a comparator group of companies. Threshold performance (equating to ranking in the 50th percentile of the comparator group) will result in 20% vesting of the part of the award dependent on TSR. The maximum vest of 100% will arise if performance ranks in the 90th percentile, with a sliding scale of vesting for performance between threshold and maximum.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

22 Share-based payments (continued)

(ii) Headline diluted earnings per share. Threshold performance (7% compound annual growth) will again result in a 20% vest. Maximum performance of 14% compound annual growth will give rise to a 100% vest, with a sliding vesting scale for performance between threshold and maximum.

(iii) Return on equity (ROE). Average annual ROE defined as headline diluted EPS divided by the balance sheet value per share of share owners' equity. Threshold performance of 10% average annual ROE and maximum performance of 14%, with a sliding scale in between. Threshold again gives rise to a 20% vest, with 100% for maximum.

Performance Share Awards (PSA)

Grants of restricted stock under PSA are dependent upon annual performance targets, typically based on one or more of: operating profit, profit before taxation and operating margin. Grants are made in the year following the year of performance measurement, and vest two years after grant date provided the individual concerned is continually employed by the Group throughout this time.

Leaders, Partners and High Potential Group

This scheme provides annual grants of restricted stock to well over 1,000 key executives of the Group. Vesting is conditional on continued employment over the three-year vesting period.

Valuation methodology

For all of these schemes, the valuation methodology is based upon fair value on grant date, which is determined by the market price on that date or the application of a Black-Scholes model, depending upon the characteristics of the scheme concerned. The assumptions underlying the Black-Scholes model are detailed in note 26, including details of assumed dividend yields. Market price on any given day is obtained from external, publicly available sources.

Market/non-market conditions

Most share-based plans are subject to non-market performance conditions, such as margin or growth targets, as well as continued employment. LEAP III and EPSP schemes are subject to a number of performance conditions, including TSR, a market-based condition.

For schemes without market-based performance conditions, the valuation methodology above is applied and, at each year end, the relevant accrual for each grant is revised, if appropriate, to take account of any changes in estimate of the likely number of shares expected to vest.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

22 Share-based payments (continued)

Movement on ordinary shares granted for significant restricted stock plans:

	Non-vested 1 January 2016 number (m)	Granted number (m)	Lapsed number (m)	Vested number (m)	Non-vested 31 December 2016 number (m)
LEAP III ¹	2.1	5.4	(0.1)	(6.6)	0.8
Executive Performance Share Plan (EPSP)	6.7	1.8	(0.5)	—	8.0
Performance Share Awards (PSA)	1.7	1.1	(0.1)	(1.5)	1.2
Leaders, Partners and High Potential Group	5.7	2.9	(0.4)	(1.8)	6.4
Weighted average fair value (pence per share):					
LEAP III ¹	749p	665p	860p	665p	860p
Executive Performance Share Plan (EPSP)	1,271p	1,705p	1,179p	—	1,373p
Performance Share Awards (PSA)	1,343p	1,490p	1,596p	1,225p	1,596p
Leaders, Partners and High Potential Group	1,401p	1,603p	1,410p	1,242p	1,534p

Note

¹ The number of shares granted represents the matched shares awarded on vest date for the 2011 LEAP III plan which vested in March 2016. The actual number of shares that vest for each LEAP III plan is dependent on the extent to which the relevant performance criteria are satisfied.

The total fair value of shares vested for all the Group's restricted stock plans during the year ended 31 December 2016 was £116.8 million (2015: £111.7 million).

23 Provision for post-employment benefits

Companies within the Group operate a large number of pension plans, the forms and benefits of which vary with conditions and practices in the countries concerned. The Group's pension costs are analysed as follows:

	2016 £m	2015 £m
Defined contribution plans	153.5	135.0
Defined benefit plans charge to operating profit	24.6	25.0
Pension costs (note 5)	178.1	160.0
Net interest expense on pension plan liabilities (note 7)	6.7	7.3
	184.8	167.3

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

23. Provision for post-employment benefits (continued)

Defined benefit plans

The pension costs are assessed in accordance with the advice of local independent qualified actuaries. The latest full actuarial valuations for the various pension plans were carried out at various dates in the last three years. These valuations have been updated by the local actuaries to 31 December 2016.

The Group's policy is to close existing defined benefit plans to new members. This has been implemented across a significant number of the pension plans.

Contributions to funded plans are determined in line with local conditions and practices. Contributions in respect of unfunded plans are paid as they fall due. The total contributions (for funded plans) and benefit payments (for unfunded plans) paid for 2016 amounted to £43.7 million (2015: £70.9 million). Employer contributions and benefit payments in 2017 are expected to be approximately £70 million.

(a) Assumptions

There are a number of areas in pension accounting that involve judgements made by management based on advice of qualified advisors. These include establishing the discount rates, rates of increase in salaries and pensions in payment, inflation, and mortality assumptions. The main weighted average assumptions used for the actuarial valuations at 31 December are shown in the following table:

	2016 % pa	2015 % pa
UK		
Discount rate ¹	2.5	3.7
Rate of increase in salaries	3.5	3.1
Rate of increase in pensions in payment	4.1	3.9
Inflation	2.8	2.4
North America		
Discount rate ¹	3.8	4.0
Rate of increase in salaries	3.1	3.0
Inflation	4.0	2.5
Western Continental Europe		
Discount rate ¹	1.7	2.5
Rate of increase in salaries	2.0	2.3
Rate of increase in pensions in payment	1.3	1.6
Inflation	1.7	2.0
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe		
Discount rate ¹	4.2	4.2
Rate of increase in salaries	5.9	5.8
Inflation	4.0	4.0

Note

¹ Discount rates are based on high-quality corporate bond yields. In countries where there is no deep market in corporate bonds, the discount rate assumption has been set with regard to the yield on long-term government bonds.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

23 Provision for post-employment benefits (continued)

(a) Assumptions (continued)

For the Group's pension plans, the plans' assets are invested with the objective of being able to meet current and future benefit payment needs, while controlling balance sheet volatility and future contributions. Pension plan assets are invested with a number of investment managers, and assets are diversified among equities, bonds, insured annuities, property and cash or other liquid investments. The primary use of bonds as an investment class is to match the anticipated cash flows from the plans to pay pensions. The Group is invested in high-quality corporate and government bonds which share similar risk characteristics and are of equivalent currency and term to the plan liabilities. Various insurance policies have also been bought historically to provide a more exact match for the cash flows, including a match for the actual mortality of specific plan members. These insurance policies effectively provide protection against both investment fluctuations and longevity risks. The strategic target allocation varies among the individual plans.

Management considers the types of investment classes in which the pension plan assets are invested. The types of investment classes are determined by economic and market conditions and in consideration of specific asset class risk.

Management periodically commissions detailed asset and liability studies performed by third-party professional investment advisors and actuaries that generate probability-adjusted expected future returns on those assets. These studies also project the estimated future pension payments and evaluate the efficiency of the allocation of the pension plan assets into various investment categories.

At 31 December 2016, the life expectancies underlying the value of the accrued liabilities for the main defined benefit pension plans operated by the Group were as follows:

	All	North	Western		
	plans	America	UK	Continental Europe	Other ¹
Years life expectancy after age 65					
– current pensioners (at age 65) – male	22.8	22.8	23.6	21.0	19.6
– current pensioners (at age 65) – female	24.5	24.4	24.8	24.2	24.8
– future pensioners (current age 45) – male	24.7	24.4	25.6	23.4	19.6
– future pensioners (current age 45) – female	26.5	26.0	27.0	26.6	24.8

Note

¹ Includes Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe.

The life expectancies after age 65 at 31 December 2015 were 22.9 years and 24.7 years for male and female current pensioners (at age 65) respectively, and 24.8 years and 26.7 years for male and female future pensioners (current age 45), respectively.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

23 Provision for post-employment benefits (continued)

(a) Assumptions (continued)

In the determination of mortality assumptions, management uses the most up-to-date mortality tables available in each country.

The following table provides information on the weighted average duration of the defined benefit pension obligations and the distribution of the timing of benefit payments for the next 10 years. The duration corresponds to the weighted average length of the underlying cash flows.

	All plans	North America	UK	Western Continental Europe	Other ¹
Weighted average duration of the defined benefit obligation (years)	12.5	9.3	13.8	17.1	9.1
Expected benefit payments over the next 10 years					
Benefits expected to be paid within 12 months	71.4	43.4	17.1	8.1	2.8
Benefits expected to be paid in 2018	65.7	38.3	17.3	7.8	2.3
Benefits expected to be paid in 2019	66.5	37.9	17.4	8.4	2.8
Benefits expected to be paid in 2020	65.4	36.7	17.7	8.5	2.5
Benefits expected to be paid in 2021	65.7	35.1	18.2	8.9	3.5
Benefits expected to be paid in the next five years	315.5	150.5	95.2	49.5	20.3

Note

¹ Includes Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe.

The following table presents a sensitivity analysis for each significant actuarial assumption showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption that were reasonably possible at the balance sheet date. This sensitivity analysis applies to the defined benefit obligation only and not to the net defined benefit pension liability in its entirety, the measurement of which is driven by a number of factors including, in addition to the assumptions below, the fair value of plan assets.

The sensitivity analyses are based on a change in one assumption while holding all other assumptions constant so that interdependencies between the assumptions are excluded. The methodology applied is consistent with that used to determine the recognised defined benefit obligation. The sensitivity analysis for inflation is not shown as it is an underlying assumption to build the pension and salary increase assumptions. Changing the inflation assumption on its own without changing the salary or pension assumptions will not result in a significant change in pension liabilities.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

23 Provision for post-employment benefits (continued)

(a) Assumptions (continued)

	Increase/(decrease) in benefit obligation	
	2016	2015
Sensitivity analysis of significant actuarial assumptions	£m	£m
Discount rate		
Increase by 25 basis points		
UK	(13.3)	(10.9)
North America	(10.9)	(9.4)
Western Continental Europe	(10.1)	(7.8)
Other ¹	(0.6)	(0.5)
Decrease by 25 basis points		
UK	14.1	11.5
North America	11.2	9.7
Western Continental Europe	10.6	8.2
Other ¹	0.6	0.5
Rate of increase in salaries		
Increase by 25 basis points		
UK	0.2	0.2
North America	—	0.1
Western Continental Europe	1.4	1.3
Other ¹	0.6	0.5
Decrease by 25 basis points		
UK	(0.2)	(0.1)
North America	—	—
Western Continental Europe	(1.4)	(1.3)
Other ¹	(0.6)	(0.5)
Rate of increase in pensions in payment		
Increase by 25 basis points		
UK	2.3	2.1
Western Continental Europe	6.8	5.3
Decrease by 25 basis points		
UK	(2.3)	(2.0)
Western Continental Europe	(6.4)	(5.0)
Life expectancy		
Increase in longevity by one additional year		
UK	17.7	13.3
North America	6.2	5.1
Western Continental Europe	7.4	5.6
Other ¹	—	—

Note

¹ Includes Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

23 Provision for post-employment benefits (continued)

(b) Assets and liabilities

At 31 December, the fair value of the assets in the pension plans, and the assessed present value of the liabilities in the pension plans are shown in the following table:

	2016		2015	
	£m	%	£m	%
Equities	161.9	17.3	132.5	16.3
Bonds	566.0	60.6	479.5	58.9
Insured annuities	63.5	6.8	60.5	7.4
Property	1.6	0.2	1.5	0.2
Cash	44.9	4.8	65.1	8.0
Other	96.3	10.3	75.1	9.2
Total fair value of assets	934.2	100.0	814.2	100.0
Present value of liabilities	(1,209.8)		(1,039.9)	
Deficit in the plans	(275.6)		(225.7)	
Irrecoverable surplus	(0.9)		(3.6)	
Net liability ¹	(276.5)		(229.3)	
Plans in surplus	28.0		31.4	
Plans in deficit	(304.5)		(260.7)	

Note

¹ The related deferred tax asset is discussed in note 15.

All plan assets have quoted prices in active markets with the exception of insured annuities and other assets.

Surplus/(deficit) in plans by region

	2016	2015
	£m	£m
UK	20.0	30.9
North America	(133.8)	(123.4)
Western Continental Europe	(116.9)	(97.4)
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	(44.9)	(35.8)
Deficit in the plans	(275.6)	(225.7)

Some of the Group's defined benefit plans are unfunded (or largely unfunded) by common custom and practice in certain jurisdictions. In the case of these unfunded plans, the benefit payments are made as and when they fall due. Pre-funding of these plans would not be typical business practice.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

23 Provision for post-employment benefits (continued)

(b) Assets and liabilities

The following table shows the split of the deficit at 31 December 2016 between funded and unfunded pension plans.

	2016 Surplus/ (deficit) £m	2016 Present value of liabilities £m	2015 Surplus/ (deficit) £m	2015 Present value of liabilities £m
Funded plans by region				
UK	20.0	(406.4)	30.9	(352.6)
North America	(56.0)	(420.4)	(45.5)	(364.5)
Western Continental Europe	(48.9)	(180.9)	(42.3)	(143.9)
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	(5.8)	(17.2)	(4.9)	(15.0)
Deficit/liabilities in the funded plans	(90.7)	(1,024.9)	(61.8)	(876.0)
Unfunded plans by region				
UK	-	-	-	-
North America	(77.8)	(77.8)	(77.9)	(77.9)
Western Continental Europe	(68.0)	(68.0)	(55.1)	(55.1)
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	(39.1)	(39.1)	(30.9)	(30.9)
Deficit/liabilities in the unfunded plans	(184.9)	(184.9)	(163.9)	(163.9)
Deficit/liabilities in the plans	(275.6)	(1,209.8)	(225.7)	(1,039.9)

In accordance with IAS 19 (amended), plans that are wholly or partially funded are considered funded plans.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

23 Provision for post-employment benefits (continued)

(c) Pension expense

The following table shows the breakdown of the pension expense between amounts charged to operating profit, amounts charged to finance costs and amounts recognised in the statement of comprehensive income (OCI):

	2016 £m	2015 £m
Service cost ¹	22.4	23.0
Administrative expenses	2.2	2.0
Charge to operating profit	24.6	25.0
Net interest expense on pension plans	6.7	7.3
Charge to profit before taxation for defined benefit plans	31.3	32.3
Return on plan assets (excluding interest income)	66.3	(31.7)
Changes in demographic assumptions underlying the present value of the plan liabilities	6.7	13.8
Changes in financial assumptions underlying the present value of the plan liabilities	(92.6)	55.4
Experience gain/(loss) arising on the plan liabilities	1.0	(1.3)
Change in irrecoverable surplus	2.7	(2.7)
Actuarial (loss)/gain recognised in OCI	(15.9)	33.5

Note

¹ Includes current service cost, past service costs related to plan amendments and (gain)/loss on settlements and curtailments.

Notes to the consolidated financial statements (continued)
For the year ended 31 December 2016

23 Provision for post-employment benefits (continued)

(d) Movement in plan liabilities

The following table shows an analysis of the movement in the pension plan liabilities for each accounting period:

	2016 £m	2015 £m
Plan liabilities at the beginning of the year	1,039.9	1,144.8
Service cost ¹	22.4	23.0
Interest cost	37.2	34.6
Actuarial (gain)/loss		
Effect of changes in demographic assumptions	(6.7)	(13.8)
Effect of changes in financial assumptions	92.6	(55.4)
Effect of experience adjustments	(1.0)	1.3
Benefits paid	(92.4)	(112.6)
Loss due to exchange rate movements	124.2	13.4
Settlements payments	(4.8)	-
Other ^{1,2}	(1.6)	4.6
Plan liabilities at end of year	1,209.8	1,039.9

Notes

¹ Includes current service cost, past service costs related to plan amendments and (gain)/loss on settlements and curtailments.

² Other includes acquisitions, disposals, plan participants' contributions and reclassifications. The reclassifications represent certain of the Group's defined benefit plans which are included in this note for the first time in the periods presented.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

23 Provision for post-employment benefits (continued)

(e) Movement in plan assets

The following table shows an analysis of the movement in the pension plan assets for each accounting period:

	2016	2015
	£m	£m
Fair value of plan assets at beginning of the year	814.2	849.5
Interest income on plan assets	30.5	27.3
Return on plan assets (excluding interest income) ¹	66.3	(31.7)
Employer contributions	43.7	70.9
Benefits paid	(92.4)	(112.6)
Loss due to exchange rate movements	78.8	12.4
Settlement payments	(4.8)	-
Administrative expenses	(2.2)	(2.0)
Other ¹	0.1	0.4
Fair value of plan assets at end of year	934.2	814.2
Actual return on plan assets	96.8	(4.4)

Notes

¹Other includes acquisitions, disposals, plan participants' contributions and reclassifications. The reclassifications represent certain of the Group's defined benefit plans which are included in this note for the first time in the periods presented.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

24. Risk management policies

Foreign currency risk

The Group's results in pounds sterling are subject to fluctuation as a result of exchange rate movements. The Group does not hedge this translation exposure to its earnings but does hedge the currency element of its net assets using foreign currency borrowings, cross-currency swaps and forward foreign exchange contracts.

The Group effects these currency net asset hedges by borrowing in the same currencies as the operating (or 'functional') currencies of its main operating units. The majority of the Group's debt is therefore denominated in US dollars, pounds sterling and euros. The Group's borrowings at 31 December 2016 were primarily made up of \$2,862 million, £600 million and €2,952 million. The Group's average gross debt during the course of 2016 was \$3,182 million, £381 million and €2,952 million.

The Group's operations conduct the majority of their activities in their own local currency and consequently the Group has no significant transactional foreign exchange exposures arising from its operations. Any significant cross-border trading exposures are hedged by the use of forward foreign-exchange contracts. No speculative foreign-exchange trading is undertaken.

Interest rate risk

The Group is exposed to interest rate risk on both interest-bearing assets and interest-bearing liabilities. The Group has a policy of actively managing its interest rate risk exposure while recognising that fixing rates on all its debt eliminates the possibility of benefiting from rate reductions and similarly, having all its debt at floating rates unduly exposes the Group to increases in rates.

Including the effect of interest rate and cross-currency swaps, 54.2% of the year-end US dollar debt is at fixed rates averaging 4.62% for an average period of 212 months; 100.0% of the sterling debt is at a fixed rate of 4.04% for an average period of 257 months; and 100% of the euro debt is at fixed rates averaging 1.85% for an average period of 93 months.

Other than fixed rate debt, the Group's other fixed rates are achieved principally through interest rate swaps with the Group's bankers. The Group also uses forward rate agreements and interest rate caps to manage exposure to interest rate changes. At 31 December 2016 no forward rate agreements or interest rate caps were in place. These interest rate derivatives are used only to hedge exposures to interest rate movements arising from the Group's borrowings and surplus cash balances arising from its commercial activities and are not traded independently. Payments made under these instruments are accounted for on an accruals basis.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

24 Risk management policies (continued)

Going concern and liquidity risk

In considering going concern and liquidity risk, the directors have reviewed the Group's future cash requirements and earnings projections. The directors believe these forecasts have been prepared on a prudent basis and have also considered the impact of a range of potential changes to trading performance. The directors have concluded that the Group should be able to operate within its current facilities and comply with its banking covenants for the foreseeable future and therefore believe it is appropriate to prepare the financial statements of the Group on a going concern basis.

At 31 December 2016, the Group has access to £7.8 billion of committed bank facilities with maturity dates spread over the years 2018 to 2046 as illustrated below:

		Maturity by year			
	£m	2018 £m	2019 £m	2020 £m	2021+ £m
£ bonds £400m (2.875% '46)	400.0				400.0
US bond \$500m (5.625% '43)	405.0				405.0
US bond \$300m (5.125% '42)	243.0				243.0
Eurobonds €600m (1.625% '30)	512.6				512.6
Eurobonds €750m (2.25% '26)	640.8				640.8
US bond \$750m (3.75% '24)	607.5				607.5
Eurobonds €750m (3.0% '23)	640.8				640.8
US bond \$500m (3.625% '22)	405.0				405.0
US bond \$812m (4.75% '21)	658.0				658.0
Bank revolver (\$2,500m)	2,025.1				2,025.1
£ bonds £200m (6.375% '20)	200.0			200.0	
Eurobonds €600m (0.75% '19)	512.6		512.6		
Bank revolver (A\$520m)	304.0		304.0		
Eurobonds €252m (0.43% '18)	215.3	215.3			
Total committed facilities available	7,769.7	215.3	816.6	200.0	6,537.8
Drawn down facilities at 31 December 2016	5,647.4	215.3	719.4	200.0	4,512.7
Undrawn committed credit facilities	2,122.3				
Drawn down facilities at 31 December 2016	5,647.4				
Net cash at 31 December 2016	(3,127.6)				
Other adjustments	(7.4)				
Net debt at 31 December 2016	2,512.4				

Given the strong cash generation of the business, its debt maturity profile and available facilities, the directors believe the Group has sufficient liquidity to match its requirements for the foreseeable future.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

24 Risk management policies (continued)

Treasury activities

Treasury activity is managed centrally from London, New York and Hong Kong, and is principally concerned with the monitoring of working capital, managing external and internal funding requirements and the monitoring and management of financial market risks, in particular interest rate and foreign exchange exposures.

The treasury operation is not a profit centre and its activities are carried out in accordance with policies approved by the Board of Directors and subject to regular review and audit.

The Group manages liquidity risk by ensuring continuity and flexibility of funding even in difficult market conditions. Undrawn committed borrowing facilities are maintained in excess of peak net borrowing levels and debt maturities are closely monitored. Targets for average net debt are set on an annual basis and, to assist in meeting this, working capital targets are set for all the Group's major operations.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 10, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in the consolidated statement of changes in equity and in notes 26 and 27.

Credit risk

The Group's principal financial assets are cash and short-term deposits, trade and other receivables and investments, the carrying values of which represent the Group's maximum exposure to credit risk in relation to financial assets, as shown in note 25.

The Group's credit risk is primarily attributable to its trade receivables. The majority of the Group's trade receivables are due from large national or multinational companies where the risk of default is considered low. The amounts presented in the consolidated balance sheet are net of allowances for doubtful receivables, estimated by the Group's management based on prior experience and their assessment of the current economic environment. A relatively small number of clients make up a significant percentage of the Group's debtors, but no single client represents more than 5% of total trade receivables as at 31 December 2016.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies or banks that have been financed by their government.

A relatively small number of clients contribute a significant percentage of the Group's consolidated revenues. The Group's clients generally are able to reduce advertising and marketing spending or cancel projects at any time for any reason. There can be no assurance that any of the Group's clients will continue to utilise the Group's services to the same extent, or at all, in the future.

Notes to the consolidated financial statements (continued)
For the year ended 31 December 2016

24 Risk management policies (continued)
Credit risk (continued)

A significant reduction in advertising and marketing spending by, or the loss of one or more of, the Group's largest clients, if not replaced by new client accounts or an increase in business from existing clients, would adversely affect the Group's prospects, business, financial condition and results of operations.

Sensitivity analysis

The following sensitivity analysis addresses the effect of currency and interest rate risks on the Group's financial instruments. The analysis assumes that all hedges are highly effective.

Currency risk

At 31 December 2016 and 31 December 2015, the Group's major foreign currency dominated borrowings are held in individual entities with the same financial reporting currencies as borrowings. Therefore a weakening or strengthening of sterling against the Group's major currencies would not result in any gains or losses.

Interest rate risk

A one percentage point increase in market interest rates for all currencies in which the Group had cash and borrowings at 31 December 2016 would increase profit before tax by approximately £18.9 million (2015: £19.1 million). A one percentage decrease in market interest rates would have an equal and opposite effect. This has been calculated by applying the interest rate change to the Group's variable rate cash and borrowings.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

25 Financial instruments

Currency derivatives

The Group utilises currency derivatives to hedge significant future transactions and cash flows and the exchange risk arising on translation of the Group's investments in foreign operations. The Group is a party to a variety of foreign currency derivatives in the management of its exchange rate exposures. The instruments purchased are primarily denominated in the currencies of the Group's principal markets.

During 2016, the Group held no currency derivatives. In 2015, the amounts taken to and deferred in equity during the year for currency derivatives that are designated and effective hedges was a charge of £73.5 million for cash flow hedges. In 2015, changes in the fair value relating to the ineffective portion of the currency derivatives amounted to a gain of £3.2 million which is included in the revaluation of financial instruments for the year.

The Group currently designates its foreign currency-denominated debt and cross-currency swaps as hedging instruments against the currency risk associated with the translation of its foreign operations.

At the balance sheet date, the total nominal amount of outstanding forward foreign exchange contracts not designated as hedges was £122.0 million (2015: £86.5 million). The Group estimates the fair value of these contracts to be a net asset of £0.1 million (2015: £3.9 million).

These arrangements are designed to address significant exchange exposure and are renewed on a revolving basis as required.

Interest rate swaps

The Group uses interest rate swaps as hedging instruments in fair value hedges to manage its exposure to interest rate movements on its borrowings. Contracts with a nominal value of \$500 million have fixed interest receipts of 3.63% until September 2022 and have floating rate payments averaging LIBOR plus 1.52%. Contracts with a nominal value of \$812 million have fixed interest receipts of 4.75% until November 2021 and have floating rate payments averaging LIBOR plus 2.17% (set in arrears). Contracts with a nominal value of A\$30 million have fixed interest receipts of 2.59% until December 2017 and have floating rate payments based on the Australian bank bill swap rate (BBSY). Contracts with a nominal value of A\$30 million have fixed interest rate receipts of 2.85% until August 2017 and have floating rate payments based on the Australian bank bill swap reference rate (BBSW).

The fair value of interest rate swaps entered into at 31 December 2016 is estimated to be a net asset of approximately £6.7 million (2015: £18.3 million). These amounts are based on market values of equivalent instruments at the balance sheet date, comprising £9.7 million (2015: £20.6 million) assets included in trade and other receivables and £3.0 million (2015: £2.3 million) liabilities included in trade and other payables.

Changes in the fair value relating to the ineffective portion of interest rate swaps amounted to a loss of £5.2 million (2015: £6.8 million) which is included in the revaluation of financial instruments for the year. This loss resulted from a £10.4 million loss on hedging instruments and a £5.2 million gain on hedged items.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

25. Financial instruments (continued)

An analysis of the Group's financial assets and liabilities by accounting classification is set out below:

	Derivatives in designated hedge relationships	Held for trading	Loans & receivables	Available for sale	Amortised cost	Carrying value
	£m	£m	£m	£m	£m	£m
2016						
Other investments	—	—	—	1,562.0	—	1,562.0
Cash and short-term deposits	—	—	3,648.2	—	—	3,648.2
Bank overdrafts and loans	—	—	—	—	(585.8)	(585.8)
Bonds and bank loans	—	—	—	—	(5,571.7)	(5,571.7)
Trade and other receivables: amounts falling due within one year	—	—	11,136.3	—	—	11,136.3
Trade and other receivables: amounts falling due after more than one year	—	—	1,453.3	—	—	1,453.3
Trade and other payables: amounts falling due within one year	—	—	—	—	(12,027.6)	(12,027.6)
Trade and other payables: amounts falling due after more than one year	—	—	—	—	(8.4)	(8.4)
Derivative assets	9.7	3.0	—	—	—	12.7
Derivative liabilities	(3.0)	(2.9)	—	—	—	(5.9)
Payments due to vendors (earnout agreements) (note 19)	—	(976.5)	—	—	—	(976.5)
Liabilities in respect of put options	—	(297.0)	—	—	—	(297.0)
	6.7	(1,273.4)	16,237.8	1,562.0	(18,193.5)	(1,660.4)

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

25 Financial instruments (continued)

	Derivatives in designated hedge relationships	Held for trading	Loans & receivables	Available- for-sale	Amortised cost	Carrying value
	£m	£m	£m	£m	£m	£m
2015						
Other investments	—	—	—	1,426.8	—	1,426.8
Cash and short-term deposits	—	—	3,225.2	—	—	3,225.2
Bank overdrafts and loans	—	—	—	—	(481.1)	(481.1)
Bonds and bank loans	—	—	—	—	(4,259.8)	(4,259.8)
Trade and other receivables: amounts falling due within one year	—	—	9,629.5	—	—	9,629.5
Trade and other receivables: amounts falling due after more than one year	—	—	669.0	—	—	669.0
Trade and other payables: amounts falling due within one year	—	—	—	—	(10,281.0)	(10,281.0)
Trade and other payables: amounts falling due after more than one year	—	—	—	—	(5.3)	(5.3)
Derivative assets	20.6	4.6	—	—	—	25.2
Derivative liabilities	(2.3)	(0.7)	—	—	—	(3.0)
Payments due to vendors (earnout agreements)	—	(581.3)	—	—	—	(581.3)
Liabilities in respect of put options	—	(234.4)	—	—	—	(234.4)
	18.3	(811.8)	13,523.7	1,426.8	(15,027.2)	(870.2)

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

25 Financial instruments (continued)

	Level 1 £m	Level 2 £m	Level 3 £m
2016			
Derivatives in designated hedge relationships			
Derivative assets	-	9.7	-
Derivative liabilities	-	(3.0)	-
Held for trading			
Derivative assets	-	3.0	-
Derivative liabilities	-	(2.9)	-
Payments due to vendors (earnout agreements) (note 19)	-	-	(976.5)
Liabilities in respect of put options	-	-	(297.0)
Available for sale			
Other investments	681.0	-	881.0
	681.0	6.8	(392.5)

	Level 1 £m	Level 2 £m	Level 3 £m
2015			
Derivatives in designated hedge relationships			
Derivative assets	-	20.6	-
Derivative liabilities	-	(2.3)	-
Held for trading			
Derivative assets	-	4.6	-
Derivative liabilities	-	(0.7)	-
Payments due to vendors (earnout agreements) (note 19)	-	-	(581.3)
Liabilities in respect of put options	-	-	(234.4)
Available for sale			
Other investments	579.5	-	847.3
	579.5	22.2	31.6

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

25 Financial instruments (continued)

Reconciliation of level 3 fair value measurements¹:

	Liabilities in respect of put options £m	Other investments £m
1 January 2015	(184.9)	534.4
Losses recognised in the income statement	(11.3)	(2.2)
Gain recognised in other comprehensive income	-	196.4
Exchange adjustments	21.4	13.3
Additions	(86.8)	113.5
Disposals	-	(8.1)
Cancellations	25.3	-
Settlements	1.9	-
31 December 2015	(234.4)	847.3
Losses recognised in the income statement	(17.2)	(1.6)
Gain recognised in other comprehensive income	-	(105.6)
Exchange adjustments	(47.4)	112.9
Additions	(42.9)	105.7
Disposals	-	(3.4)
Reclassifications from other investments to interests in associates	-	(74.3)
Settlements	44.9	-
31 December 2016	(297.0)	881.0

Note

¹The reconciliation of payments due to vendors (earnout agreements) is presented in note 19.

The fair values of financial assets and liabilities are based on quoted market prices where available. Where the market value is not available, the Group has estimated relevant fair values on the basis of publicly available information from outside sources or on the basis of discounted cash flow models where appropriate.

Payments due to vendors and liabilities in respect of put options

Future anticipated payments due to vendors in respect of contingent consideration (earnout agreements) are recorded at fair value, which is the present value of the expected cash outflows of the obligations. Liabilities in respect of put option agreements are initially recorded at the present value of the redemption amount in accordance with IAS 32 and subsequently measured at fair value in accordance with IAS 39. Both types of obligations are dependent on the future financial performance of the entity and it is assumed that future profits are in line with directors' estimates. The directors derive their estimates from internal business plans together with financial due diligence performed in connection with the acquisition. At 31 December 2016, the weighted average growth rate in estimating future financial performance was 25.0% (2015: 20.3%), which reflects the prevalence of recent acquisitions in the faster-growing markets and new media sectors. The risk adjusted discount rate applied to these obligations at 31 December 2016 was 1.5% (2015: 1.7%).

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

25. Financial instruments (continued)

At one percentage point increase or decrease in the growth rate in estimated future financial performance would increase or decrease the combined liabilities due to earnout agreements and put options by approximately £13.4 million (2015: £11.9 million) and £17.9 million (2015: £19.0 million), respectively. A 0.5 percentage point increase or decrease in the risk adjusted discount rate would decrease or increase the combined liabilities by approximately £16.0 million (2015: £11.6 million) and £16.4 million (2015: £11.9 million), respectively. An increase in the liability would result in a loss in the revaluation of financial instruments, while a decrease would result in a gain.

Other investments

The fair value of other investments included in level 1 are based on quoted market prices. Other investments included in level 3 are unlisted securities, where market value is not readily available. The Group has estimated relevant fair values on the basis of publicly available information from outside sources or on the basis of discounted cash flow models where appropriate. The sensitivity to changes in unobservable inputs is specific to each individual investment.

26. Authorised and issued share capital

	Equity ordinary shares of £1 each	Nominal value £m
Issued and fully paid		
At 31 December 2015 and 2016	100,001	0.1

Share options

All share options are over the share capital of WPP plc.

WPP Executive Share Option Scheme

As at 31 December 2016, unexercised options over ordinary shares of 6,741 and unexercised options over ADRs of 422 have been granted under the WPP Executive Share Option Scheme as follows:

Number of ordinary shares under option	Exercise price per share (£)	Exercise dates
3,696	8.333	2015-2022
3,045	10.595	2016-2023

Number of ADRs under option	Exercise price per ADR (\$)	Exercise dates
422	59.170	2011-2018

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

26. Authorised and issued share capital (continued)

WPP Worldwide Share Ownership Program

As at 31 December 2016, unexercised options over ordinary shares of 4,447,052 and unexercised options over ADRs of 672,573 have been granted under the WPP Worldwide Share Ownership Program as follows:

Number of ordinary shares under option	Exercise price per share (£)	Exercise dates
2,750	4.819	2011-2018
50,250	5.483	2012-2019
26,500	5.483	2013-2019
1,750	5.608	2012-2019
1,200	5.913	2011-2018
875	5.917	2011-2018
24,425	6.028	2011-2018
8,875	6.268	2014-2018
158,050	6.268	2014-2021
64,125	6.268	2015-2021
125	6.668	2009-2017
1,300	7.005	2010-2017
750	7.113	2013-2017
102,050	7.113	2013-2020
41,500	7.113	2014-2020
500	7.478	2011-2017
4,500	7.543	2014-2020
9,050	7.718	2010-2017
390,820	8.458	2015-2022
75,000	13.145	2017-2021
2,472,576	13.145	2017-2024
5,625	13.145	2018-2024
970,706	13.505	2016-2023
33,750	13.505	2017-2023

Number of ADRs under option	Exercise price per ADR (\$)	Exercise dates
19,610	44.560	2012-2019
46,650	49.230	2014-2021
30,495	56.560	2013-2020
12,270	59.500	2011-2018
71,134	67.490	2015-2022
4,915	75.760	2010-2017
266,516	102.670	2017-2024
220,983	110.760	2016-2023

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

26 Authorised and issued share capital (continued)

WPP Share Option Plan 2015

As at 31 December 2016, unexercised options over ordinary shares of 6,599,650 and unexercised options over ADRs of 734,760 have been granted under the WPP Share Option Plan 2015 as follows:

Number of ordinary shares under option	Exercise price per share (£)	Exercise dates
102,625	15.150	2018-2022
2,878,700	15.150	2018-2025
6,875	15.150	2019-2025
3,591,825	17.055	2019-2026
19,625	17.055	2019-2023

Number of ADRs under option	Exercise price per ADR (\$)	Exercise dates
417,770	105.490	2020-2026
316,990	115.940	2018-2025

The aggregate status of the WPP Share Option Plans during 2015 were as follows:

Movements on options granted (represented in ordinary shares)					Outstanding 31 December 2016	Exercisable 31 December 2016
	1 January 2016	Granted	Exercised	Lapsed		
WPP	22,473	-	(12,842)	(780)	8,851	8,851
WWOP	11,881,717	-	(2,488,979)	(1,582,821)	7,809,917	3,890,386
WSOP	5,678,475	5,776,275	(5,700)	(1,175,600)	10,273,450	-
24/7	9,420	-	(7,185)	(2,235)	-	-
	17,592,085	5,776,275	(2,514,706)	(2,761,436)	18,092,218	3,899,237

Weighted-average exercise price for options over:					Outstanding 31 December 2016	Exercisable 31 December 2016
	1 January 2016	Granted	Exercised	Lapsed		
Ordinary shares (£)						
WPP	7.950	-	6.679	-	9.355	9.355
WWOP	11.859	-	11.137	12.475	12.059	10.542
WSOP	15.150	17.055	-	15.243	16.192	-
ADRs \$						
WPP	66.270	-	69.387	63.900	59.170	59.170
WWOP	90.449	-	61.647	96.402	93.131	86.871
WSOP	115.940	105.490	-	115.006	109.998	-
24/7	57.635	-	56.688	60.679	-	-

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

26 Authorised and issued share capital (continued)

Options over ordinary shares

Outstanding	Range of exercise prices £	Weighted average exercise price £	Weighted average contractual life Months
	4.819 – 17.055	14.525	87

Options over ADRs

Outstanding	Range of exercise prices £	Weighted average exercise price £	Weighted average contractual life Months
	44.56 – 115.94	101.925	95

As at 31 December 2016 there was £9.9 million (2015: £10.4 million) of total unrecognised compensation cost related to share options. That cost is expected to be recognised over a weighted average period of 20 months (2015: 20 months).

Share options are satisfied out of newly issued shares.

The weighted average fair value of options granted in the year calculated using the Black-Scholes model was as follows:

	2016	2015
Fair value of UK options (shares)	135.0p	144.0p
Fair value of US options (ADRs)	\$9.94	\$11.34
Weighted average assumptions:		
UK Risk-free interest rate	0.44%	1.04%
US Risk-free interest rate	1.60%	1.45%
Expected life (months)	48	48
Expected volatility	16%	17%
Dividend yield	2.8%	2.8%

Options are issued at an exercise price equal to market value on the date of grant.

The weighted average share price of the Group for the year ended 31 December 2016 was £16.45 (2015: £14.74) and the weighted average ADR price for the same period was \$111.20 (2015: \$112.88).

Expected volatility is sourced from external market data and represents the historic volatility in the Group's share price over a period equivalent to the expected option life.

Expected life is based on a review of historic exercise behaviour in the context of the contractual terms of the options, as described in more detail below.

Notes to the consolidated financial statements (continued)
For the year ended 31 December 2016

26 Authorised and issued share capital (continued)

Terms of share option plans

In 2015, the Group introduced the Share Option Plan 2015 to replace both the 'all-employee' Worldwide Share Ownership Plan and the discretionary Executive Stock Option Plan. Two kinds of options over ordinary shares can be granted, both with a market value exercise price. Firstly, options can be granted to employees who have worked at a company owned by WPP plc for at least two years which are not subject to performance conditions. Secondly, options may be granted on a discretionary basis subject to the satisfaction of performance conditions.

The Worldwide Share Ownership Program was open for participation to employees with at least two years' employment in the Group. It was not available to those participating in other share-based incentive programs or to executive directors. The vesting period for each grant is three years and there are no performance conditions other than continued employment with the Group.

The Executive Stock Option Plan has historically been open for participation to WPP Group Leaders, Partners and High Potential Group. It is not currently offered to parent company executive directors. The vesting period is three years and performance conditions include achievement of various TSR (Total Shareholder Return) and EPS (Earnings Per Share) objectives, as well as continued employment.

The Group grants stock options with a life of 10 years, including the vesting period. The terms of stock options with performance conditions are such that if, after nine years and eight months, the performance conditions have not been met, then the stock option will vest automatically.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

27 Other reserves

Other reserves comprise the following:

	Equity reserve £m	Revaluation reserve £m	Translation reserve £m	Total other reserves £m
Balance at 1 January 2015	(131.4)	204.2	137.8	210.6
Exchange adjustments on foreign currency net investments	-	-	(293.0)	(293.0)
Revaluation of other investments	-	200.4	-	200.4
Recognition and re-measurement of financial instruments	(59.0)	-	-	(59.0)
Balance at 31 December 2015	(190.4)	404.6	(155.2)	59.0
Exchange adjustments on foreign currency net investments	-	-	1,309.0	1,309.0
Revaluation of other investments	-	(81.3)	-	(81.3)
Recognition and re-measurement of financial instruments	(21.9)	-	-	(21.9)
Balance at 31 December 2016	(212.3)	323.3	1,153.8	1,264.8

28 Acquisitions

The Group accounts for acquisitions in accordance with IFRS 3 Business Combinations. IFRS 3 requires the acquirer's identifiable assets, liabilities and contingent liabilities (other than non-current assets or disposal groups held for sale) to be recognised at fair value at acquisition date. In assessing fair value at acquisition date, management make their best estimate of the likely outcome where the fair value of an asset or liability may be contingent on a future event. In certain instances, the underlying transaction giving rise to an estimate may not be resolved until some years after the acquisition date. IFRS 3 requires the release to profit of any acquisition reserves which subsequently become excess in the same way as any excess costs over those provided at acquisition date are charged to profit. At each period end management assess provisions and other balances established in respect of acquisitions for their continued probability of occurrence and amend the relevant value accordingly through the consolidated income statement or as an adjustment to goodwill, as appropriate under IFRS 3.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

28. Acquisitions (continued)

The Group acquired a number of subsidiaries in the year. The following table sets out the book values of the identifiable assets and liabilities acquired and their fair value to the Group. The fair value adjustments for certain acquisitions have been determined provisionally at the balance sheet date.

	Book value at acquisition	Fair value adjustments	Fair value to Group
	£m	£m	£m
Intangible assets	10.5	319.1	329.6
Property, plant and equipment	20.6	—	20.6
Cash	57.1	—	57.1
Trade receivables due within one year	249.5	—	249.5
Other current assets	78.0	—	78.0
Total assets	415.7	319.1	734.8
Current liabilities	(299.4)	(2.8)	(302.2)
Trade and other payables due after one year	(40.4)	(59.5)	(99.9)
Deferred tax liabilities	—	(96.1)	(96.1)
Provisions	(0.1)	(11.5)	(11.6)
Bank loans	(144.4)	—	(144.4)
Total liabilities	(484.3)	(169.9)	(654.2)
Net assets	(68.6)	149.2	80.6
Non-controlling interests			(15.0)
Fair value of equity stake in associate undertakings before acquisition of controlling interest			(98.5)
Goodwill			799.3
Consideration			766.4
Considered satisfied by:			
Cash			423.3
Payments due to vendors			343.1

Goodwill arising from acquisitions represents the value of synergies with our existing portfolio of businesses and skilled staff to deliver services to our clients. Goodwill expected to be deductible for tax purposes is £54.8 million.

Non-controlling interests in acquired companies are measured at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The contribution to revenue and operating profit of acquisitions completed in the year was not material. There were no material acquisitions completed between 31 December 2016 and the date the financial statements have been authorised for issue.

Notes to the consolidated financial statements (continued)

For the year ended 31 December 2016

29 Principal subsidiary undertakings

The principal subsidiary undertakings of the Group are:

	Country of Incorporation
Grey Global Group LLC	US
J. Walter Thompson Company LLC	US
GroupM Worldwide LLC	US
The Ogilvy Group LLC	US
Young & Rubicam, Inc	US
TNS Group Holdings Ltd	UK

All of these subsidiaries are operating companies and are 100% owned by the Group.

30 Related party transactions

From time to time, the Group enters into transactions with its associate undertakings. These transactions were not material for the year presented.

Company profit and loss account
For the year ended 31 December 2016

	Notes	2016 £m	2015 £m
Turnover		-	-
Operating costs	32	(705.8)	(60.2)
Operating loss		(705.8)	(60.2)
Income from shares in group undertakings		1.7	-
Impairment of investments		-	(929.6)
Interest receivable and similar income	33	25.6	25.2
Interest payable and similar charges	34	(187.4)	(102.3)
Loss on ordinary activities before taxation		(865.9)	(1,066.9)
Taxation on loss on ordinary activities	35	-	-
Loss for the year		(865.9)	(1,066.9)

Note

The accompanying notes form an integral part of this income statement.

All results are derived from continuing activities.

There are no recognised gains or losses in either year, other than those shown above, and accordingly no statement of comprehensive income has been prepared.

Company balance sheet
As at 31 December 2016

	Notes	2016 £m	2015 £m
Fixed assets			
Investments	36	<u>20,011.1</u>	<u>17,535.9</u>
Current assets			
Debtors			
– due within one year	37	1,864.8	1,696.6
– due after one year	38	195.4	168.7
Cash at bank and in hand		<u>0.1</u>	<u>945.7</u>
		2,060.3	2,811.0
Current liabilities			
Creditors: amounts falling due within one year	39	<u>(4,194.3)</u>	<u>(3,860.5)</u>
Net current liabilities		<u>(2,134.0)</u>	<u>(1,049.5)</u>
Total assets less current liabilities		<u>17,877.1</u>	<u>16,486.4</u>
Creditors: amounts falling due after more than one year	40	<u>(7,800.7)</u>	<u>(5,544.1)</u>
Net assets		<u>10,076.4</u>	<u>10,942.3</u>
Capital and reserves			
Called-up share capital		0.1	0.1
Share premium account		12,553.7	12,553.7
Profit and loss account		<u>(2,477.4)</u>	<u>(1,611.5)</u>
Equity share owners' funds		<u>10,076.4</u>	<u>10,942.3</u>

Note

The accompanying notes form an integral part of this balance sheet.

The financial statements were approved by the Board of Directors and authorised for issue on 23 June 2017.



S. Winters

Registered Company Number: 08286875

Company statement of changes in equity
For the year ended 31 December 2016

For the year ended 31 December 2016

	Ordinary share capital	Share premium	Profit and loss account	Total equity share owners' funds
	£m	£m	£m	£m
Balance at January 2015	0.1	12,553.7	(544.6)	12,009.2
Net loss for the year	-	-	(1,066.9)	(1,066.9)
Balance at January 2016	0.1	12,553.7	(1,611.5)	10,942.3
Net loss for the year	-	-	(865.9)	(865.9)
Balance at December 2016	0.1	12,553.7	(2,477.4)	10,076.4

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

31 Accounting policies

The principal accounting policies of WPP Jubilee Limited (the Company) are summarised below. These accounting policies have all been applied consistently throughout the year and preceding year.

a) Basis of accounting

The financial statements of WPP Jubilee Limited have been prepared under the historical cost convention in accordance with UK accounting standards and the Companies Act 2006. The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council.

The financial statements of WPP Jubilee Limited have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payment, financial instruments, capital management, presentation of a cash-flow statement and certain related party transactions.

Where required, equivalent disclosures are given in the consolidated financial statements. The financial statements are prepared on a going concern basis, further details of which are in the Directors' report on pages 5 to 7.

b) Translation of foreign currency

Foreign currency transactions arising from operating activities are translated from local currency into pounds sterling at the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are translated at the year-end exchange rate. Foreign currency gains or losses are credited or charged to the profit and loss account as they arise.

c) Investments

Investments in subsidiaries are stated at cost less provision for impairment.

d) Other assets and liabilities

Unless otherwise indicated all assets and liabilities are stated at nominal value.

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

32 Operating costs

Operating costs include:

	2016	2015
	£m	£m
Net foreign exchange losses	<u>705.8</u>	<u>60.2</u>

33 Interest receivable and similar income

	2016	2015
	£m	£m
Interest receivable from subsidiary undertakings	24.5	25.0
Bank and other interest receivable	<u>1.1</u>	<u>0.2</u>
	<u>25.6</u>	<u>25.2</u>

34 Interest payable and similar charges

	2016	2015
	£m	£m
Interest payable to subsidiary undertakings	169.9	91.6
Bank and other interest payable	<u>17.5</u>	<u>10.7</u>
	<u>187.4</u>	<u>102.3</u>

35 Taxation on loss on ordinary activities

The tax assessed for the year differs from that resulting from applying the rate of corporation tax in the UK of 20% (2015: 20.25%). The differences are explained below:

	2016	2015
	£m	£m
Loss on ordinary activities before tax	(865.9)	(1,066.9)
Tax at the rate of 20% thereon	173.2	216.0
Factors affecting tax charge for the year:		
Unrecognised losses carried forward	<u>(173.2)</u>	<u>(216.0)</u>
Tax charge for the year	<u>-</u>	<u>-</u>

Notes to the company income statement and balance sheet (continued)
For the year ended 31 December 2016

36 Fixed asset investments

The following are included in the net book value of fixed assets investments:

	Subsidiary undertakings
Cost and net book value:	£m
1 January 2016	17,535.9
Additions	2,475.2
31 December 2016	<u>20,011.1</u>

In accordance with the company's accounting policy, the company annually tests the carrying value of investments for impairment. The 2016 impairment review was undertaken as at 31 December 2016. The review assessed whether the carrying value of investments was supported by the net present value of future cash flows derived from the assets. An annual growth rate of 3.0% and a post-tax discount rate of 5.5% has been assumed.

A full list of investments at 31 December 2016 is disclosed in Appendix 1.

37 Debtors: amounts falling due within one year

The following are included in debtors falling due within one year:

	2016	2015
	£m	£m
Amounts owed by subsidiary companies	1,550.6	1,458.7
Other debtors	<u>314.2</u>	<u>237.9</u>
	<u>1,864.8</u>	<u>1,696.6</u>

38 Debtors: amounts falling due after one year

The following are included in debtors falling due after more than one year:

	2016	2015
Amounts owed to subsidiary companies	<u>195.4</u>	<u>168.7</u>
	<u>195.4</u>	<u>168.7</u>

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

39 Creditors: amounts falling due within one year

The following are included in creditors falling due within one year:

	2016	2015
	£m	£m
Bank overdraft	1,312.8	709.8
Amounts owed to subsidiary companies	2,879.8	3,150.0
Other creditors	1.7	0.7
	<u>4,194.3</u>	<u>3,860.5</u>

40 Creditors: amounts falling due after more than one year

The following are included in creditors falling due after more than one year:

	2016	2015
	£m	£m
Amounts owed to subsidiary companies	<u>7,800.7</u>	<u>5,544.1</u>
	<u>7,800.7</u>	<u>5,544.1</u>

41 Ultimate parent and controlling party

The directors regard WPP plc, a company incorporated in Jersey, as the immediate and ultimate parent company and the ultimate controlling party.

The parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the company is a member is WPP plc, incorporated in Jersey. Copies of the financial statements of WPP plc are available at www.wpp.com. Copies of the financial statements of WPP plc can be obtained from 27 Farn Street, London, W1J 5RJ.

Notes to the company income statement and balance sheet (continued)
For the year ended 31 December 2016

Appendix 1 - Group companies

In accordance with Section 409 of the Companies Act 2006 a full list of subsidiaries, associates and joint ventures, the country of incorporation and the effective percentage of equity owned, as at 31 December 2016 are disclosed below. Unless otherwise stated the share capital disclosed comprises ordinary shares which are indirectly held by WPP Jubilee Limited.

[m]Platform Limited (United Kingdom, 100%)	Act Two Limited (United Kingdom, 63.72%)
10AM Communications Pte Ltd (Singapore, 75%)	Act Two Um Studios New York, Inc. (United States, 63.72%)
141 (Thailand) Co.Ltd (Thailand, 100%)	Action Exchange, Inc. (United States, 100%) ¹
141 Amsterdam BV (Netherlands, 100%)	Action Line Telemarketing do Brasil Ltda (Brazil, 51%)
141 Coimbra Publicidad, C.A. (Venezuela, 80%)	Actionline Chile SA (Chile, 62.5%)
141 Guatemala, S.A. (Guatemala, 20%)	Active Display Group Ltd (Hong Kong, 61.5%)
141 Hawaii, LLC (United States, 100%)	Active Sites Alive Pty Ltd (Australia, 61.5%)
141 Perú S.A.C. (Peru, 80%)	Adcast Group Pty Ltd (Australia, 61.5%)
141 Worldwide Boomerang LLC (United States, 100%)	Added Value Australia Pty Ltd (Australia, 61.5%)
141 worldwide GmbH 57015 (Germany, 100%)	Added Value China Limited (China, 99.78%)
141 Worldwide, SA de CV (Mexico, 100%)	Added Value Group Holdings Limited (United Kingdom, 100%)
1927 Agência de Comunicação Ltda (Brazil, 70%)	Added Value Limited (Hong Kong, 100%)
24/7 Media Australia Pty Ltd (Australia, 100%)	Added Value Limited (United Kingdom, 100%)
24/7 Media Canada Holding Company (Canada, 100%)	Added Value LLC (United States, 100%)
24/7 Media SARL (France, 100%)	Added Value SAS (France, 100%)
24/7 Real Media Inc (Canada) (Canada, 100%) ¹	Addison Corporate Marketing Limited (United Kingdom, 100%)
2B Inc (Canada, 49%)	Addison Investments Limited (United Kingdom, 100%)
2Sixty Technologies Limited (United Kingdom, 100%)	AdGenius GmbH (Germany, 100%)
2Sixty Technologies, Inc (United States, 100%)	Adgistics Limited (United Kingdom, 32.5%)
360 TTL Sp.z.o.o. (Poland, 100%)	ADHL S.A. (Argentina, 51%)
365 Sherpas GmbH (Germany, 32.83%)	Adhoc Share Holdings SL (Spain, 100%)
3G Multimedia Kft (Hungary, 33%)	ADK America, Inc. (United States, 24.32%)
3YZ Marketing Digital Ltda. (Brazil, 80%)	ADK Dialog Co. Ltd (Japan, 24.32%)
41 29 Medya Internet Egitimi ve Danismanlik Reklam Sanayi Dis Ticaret Anonim Sirketi (Turkey, 65%)	ADK International Co. Ltd (Japan, 24.32%)
9ine Sports & Entertainment Publicidade Ltda (Brazil, 100%)	ADPeople A/S (Denmark, 100%)
A. Eicoff & Company, Inc. (United States, 100%)	Adrians Perch AB (Sweden, 100%)
A.C.N. 068 228 624 Pty Ltd (Australia, 61.5%)	Adval Australia Pty Ltd (Australia, 61.5%)
A.C.N. 089 712 550 Pty Ltd (Australia, 61.5%)	AdValue International BV (Netherlands, 100%)
A.C.N. 092 417 635 Pty Ltd (Australia, 61.5%)	AdValue Nederland BV (Netherlands, 100%)
A.M.R.B. Egypt L.L.C. (Egypt, 81.39%)	Advance Limited (United Kingdom, 97.17%)
A2 (Shanghai) Marketing Services Co. Ltd (China, 51.2%)	Advance Media Information Limited (United Kingdom, 97.17%)
AA Training (Australia, 61.5%)	Advanced Techniques Group (ATG) GmbH (Germany, 100%)
AAD:Fitch Architecture, PLLC (United States, 100%)	Advertising & Marketing Resultes - Al Baheth (A.M.R.B) L.L.C. (United Arab Emirates, 81.39%)
AAD:Fitch, Inc. (United States, 100%)	Advertising Ventures Ltd (Cayman Islands, 100%)
AB Frigga (Sweden, 100%)	Advertising Ventures Pvt Ltd (Mauritius, 100%)
ABKP Ideaworks Pty Ltd (Australia, 61.5%)	AFI Branding Solutions Pty Ltd (Australia, 30.75%)
ABS MM NV (Belgium, 65%)	AFI Fabrications Pty Ltd (Australia, 30.75%)
Absolute Color LLC (United States, 100%)	Africa Red Advertising and Communications (Pty) Ltd (South Africa, 53.73%)
Ação Produção e Comunicação Ltda (Brazil, 90%)	Agencia Colloquial de México, S.A. de C.V. (Mexico, 100%)
Acceleration Digital Marketing (Pty) Limited (South Africa, 87.5%)	Agencia de Comunicación Interactiva, SA de CV (Mexico, 100%)
Acceleration eMarketing (Pty) Limited (South Africa, 87.5%)	Agência Ideal de Comunicação Ltda. (Brazil, 70%)
Acceleration eMarketing Inc (United States, 87.5%)	Agenda (Beijing) Ltd (China, 100%)
Acceleration eMarketing Limited (United Kingdom, 87.5%)	Agenda (Hong Kong) Ltd (Hong Kong, 100%)
Acceleration eMarketing Middle East FZ-LLC (United Arab Emirates, 87.5%)	Agenda (Taiwan) Ltd (Taiwan Province of China, 100%)
Acceleration eMarketing S.A. (Argentina) (Argentina, 87.5%)	Agenda Group (Asia) Limited (Hong Kong, 100%)
Acceleration Holdings Limited (Guernsey, 87.5%)	Agenda Solution Sdn Bhd (Malaysia, 100%)
	Agile Content Productions Pty Ltd (Australia, 61.5%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

aha puttner red cell Werbeagentur GmbH (Austria, 59.99%)	Antics Studios Pte Ltd (Singapore, 61.5%)
Aimia Kantar Insights, LLC (United States, 50%)	Antidote Limited (United Kingdom, 25%)
Airport Media International Limited (United Kingdom, 100%)	APP II - Agência Portuguesa de Produção, Lda (Portugal, 100%)
Ajans Grey Reklamcilik A.S. (FKA Aians Grey Advertising Inc.) (Turkey, 25%)	APP-Agência Portuguesa de Produção, ACE (Portugal, 99.99%)
AKQA B.V. (Netherlands, 100%)	Appcast Pty Ltd (Australia, 61.5%)
AKQA Brasil Comunicacao Ltda (Brazil, 100%)	Appetizing China (Shanghai) Marketing Machinate Co. Ltd (China, 65%)
AKQA Business Consulting (Shanghai) Co., Ltd (China, 100%)	Applied Research & Communications Limited (United Kingdom, 100%)
AKQA Corporation (United States, 100%)	Applogix (Pty) Limited (South Africa, 70%)
AKQA El Salvador, Limitada de Capital Variable (El Salvador, 100%)	Applogix (UK) Limited (United Kingdom, 70%)
AKQA GK (Japan, 100%)	Aqua Online (Proprietary) Limited (South Africa, 83.26%)
AKQA GmbH (Germany, 100%)	Aqvil Nordic AB (Sweden, 35%)
AKQA Holdings, Inc. (United States, 100%)	Arab for Advertising (GREY) (Saudi Arabia, 100%)
AKQA Limited (United Kingdom, 100%)	Arbour Square B.V. (Netherlands, 100%)
AKQA Media India Private Limited (India, 100%)	Arcay Corporate Communications (Pty) Ltd (South Africa, 59.67%)
AKQA SASU (France, 100%)	ArcTouch Brasil Desenvolvimento de Software Ltda (Brazil, 100%)
AKQA Sweden AB (Sweden, 100%)	Arctouch LLC (United States, 100%)
AKQA, Inc. (United States, 100%)	Argonautes SA (France, 82.93%)
Akron Reclame en Marketing BV (Netherlands, 100%)	Art & Magic Sdn Bhd (Malaysia, 49%)
Aktivation Co Ltd (Vietnam, 39.98%)	Art Company (Creative Services) Limited (The) (United Kingdom, 100%)
Al Mehwar for Direct Marketing LLC (Jordan, 27%)	Arthur Schlovsky (France, 100%)
Al Yaqeen Memac Advertising and Publicity Establishment. (Kuwait, 60%)	Artistree (Malaysia) Sdn Bhd (Malaysia, 100%)
Al-Bassira Advertising Company LLC (Saudi Arabia, 53.5%)	Artistry Inc. (Philippines, 51%)
Aleph Pte Ltd (Singapore, 39.98%)	Artwork Direct Limited (United Kingdom, 100%)
All Global Limited (United Kingdom, 100%)	Asatsu (Deutschland) GmbH (Germany, 24.32%)
Allan Burrows Limited (United Kingdom, 100%)	Asatsu (Thailand) Co. Ltd (Thailand, 23.47%)
Allsorts Pty Ltd (Australia, 61.5%)	Asatsu DK Hong Kong Ltd (Hong Kong, 24.32%)
Alnery Philippines Inc (Philippines, 78.4%)	Asatsu DK Inc (Japan, 24.32%)
Alpha Salmon Pty Ltd (Australia, 61.5%)	Asatsu DK Korea Co. Ltd (Republic of Korea, 24.32%)
Alphabet Consulting Private Limited (India, 60%)	Asatsu- DK Singapore Pte Ltd (Singapore, 24.32%)
Alton Wire Products Limited (United Kingdom, 100%)	Asatsu DK Vietnam Inc (Vietnam, 24.32%)
Always (Shanghai) Marketing Services Co Ltd (China, 65%)	Asatsu Europe BV (Netherlands, 24.32%)
Always 3ree Pte. Ltd. (Singapore, 75%)	Asatsu Europe Holding BV (Netherlands, 24.32%)
Always ePromode Sdn. Bhd (Malaysia, 100%)	Asatsu-DK-Fortune Communications Private Ltd (India, 50%)
Always Marketing Holdings Limited (Hong Kong, 65%)	Asdaa Advertising & Public Relations Sarl (Lebanon, 47.52%)
Always Marketing Holdings Ltd. (Taiwan Branch) (Taiwan Province of China, 65%)	Asdaa Advertising FZ LLC (United Arab Emirates, 48%)
Always Smollan (Shanghai) Fieldmarketing Co., Ltd (China, 33.15%)	Asdaa Advertising LLC (United Arab Emirates, 23.52%)
Ambassador Square (United Kingdom, 100%)	ASDAA Public Relations Holding Inc (Panama, 48%)
AMR HAR Interactive Pty Ltd (Australia, 61.5%)	Asdaa Public Relations LLC (Jordan, 23.76%)
AMR Interactive Group Pty Ltd (Australia, 61.5%)	ASDIK Ltd (Thailand) (Thailand, 20.67%)
AMR Interactive Pty Ltd (Australia, 61.5%)	Asesoria Estratégica Maxus, S.A. de C.V. (Mexico, 100%)
AMRB Middle East & North Africa (A.M.R.B) WLL (Bahrain, 81.39%)	AS-Grey Group OY (Finland, 22.5%)
AMRI New Ventures Pty Ltd (Australia, 61.5%)	Assignment Group New Zealand Limited (New Zealand, 61.5%)
AMS Dorland Integrated Sdn Bhd (Malaysia, 51%)	Astus APAC Australia Pty Ltd (Australia, 50%)
AMVG Uluslararası İnternet ve Telekomünikasyon Hizmetleri Ticaret Limited Şirketi (Turkey, 80%)	Astus APAC Limited (Hong Kong, 50%)
Analytics Quotient Inc (United States, 100%)	Astus APAC Singapore Pte. Limited (Singapore, 50%)
Analytics Quotient UK Limited (United Kingdom, 99.6%)	Attace Internet Facility Center BV (Netherlands, 100%)
AnalyticsQuotient Services India Private Limited (India, 99.6%)	Atlantic Dawn Participatie III B.V. (Netherlands, 99.99%)
and courage! GmbH (Germany, 49%)	Atlas Advertising Private Ltd (India, 87.78%)
Antics International Holdings Ltd (Hong Kong, 61.5%)	Atlas Communications (Thailand) Ltd. (Thailand, 100%)
	Atlas Operations Pte. Ltd. (Singapore, 100%)
	Atletico Germany GmbH (Germany, 100%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Automotive Marketing Limited (United Kingdom, 100%)	Bates/Red Cell Gruppen A/S (Denmark, 100%)
Aviator Media Limited (United Kingdom, 100%)	Bates/Y & R A/S (Denmark, 49%)
Avon Group, Inc. (United States, 66.67%)	BatesAsia Hong Kong Limited (Hong Kong, 100%)
Axicom AB (Sweden, 100%)	BatesAsia Limited (Hong Kong, 100%)
AxiCom Axiom Communications GmbH (Germany, 100%)	Bates-Gruppen AS (Norway, 100%)
Axicom BV (Netherlands, 100%)	Batey (Pte) Ltd (Singapore, 80.01%)
AxiCom Communications SARL (France, 100%)	Batey Holdings Pte Ltd (Singapore, 99.59%)
Axicom Group Limited (United Kingdom, 100%)	Batey India Private Limited (India, 100%)
AxiCom Italia Srl (Italy, 100%)	BBG REKLAM VE PRODÜKSİYON ANONİM ŞİRKETİ (Turkey, 60%)
Axicom Limited (United Kingdom, 100%)	BCN Rodalca Slu (Spain, 100%)
Axicom Spain SL (Spain, 100%)	BDG architecture + design Limited (United Kingdom, 100%)
Azocar, Morrison Walker SA de Publicidad (Chile, 20%)	Beaumont Bennett Madrid SLU (Spain, 100%)
Badjar Advertising Pty Ltd (Australia, 61.5%)	Beaumont Square (United Kingdom, 100%)
Badjar Ogilvy Pty Ltd ATF The Badjar Unit Trust (Australia, 61.5%)	Beaumont-Bennett Limited (United Kingdom, 100%)
Baker, Winokur, Ryder, Inc. (United States, 100%)	Behigh SA (Belgium, 100%)
Balkan British Social Surveys AD (Bulgaria, 34%)	Beijing Asatsu Advertising (China) Co. Ltd (China, 24.32%)
Bannerconnect B.V. (Netherlands, 100%) ¹	Beijing Benpao Century Technology Delevoplement Co., Ltd. (China, 100%)
Bannerconnect UK Limited (United Kingdom, 100%)	Beijing Channel Marketing Service Center Co. Ltd (China, 90%)
Barci & Partner Bratislava s.r.o. (Slovakia, 60%)	Beijing Contract Advertising Co. Ltd (China, 100%)
Barci es Partners Kft (Hungary, 100%)	Beijing Grey ArtM Marketing Communications Co. Ltd. (China, 70%)
Barleycorn LLC (United States, 100%)	Beijing Ogilvyone Marketing Co., Ltd (China, 100%)
Barrows Asia Pacific Pte. Ltd. (Singapore, 35%)	Beijing Redworks Advertising Co. Ltd (China, 100%)
Barrows Brasil Consultoria Em Estrategia Ltda (Brazil, 34.75%)	Beijing Soho Square Advertising Co. Ltd (China, 100%)
Barrows Canada Retail Services Ltd (Canada, 35%)	Beijing Soho Square Marketing Co Ltd (China, 100%)
Barrows Design and Manufacturing (Pty) Limited (South Africa, 35%)	Beijing WDT Advertising Co. Ltd (China, 70%)
Barrows Global ISM Limited (Isle Of Man, 35%)	Belgrave Square (United Kingdom, 100%)
Barrows London Limited (United Kingdom, 35%)	Belshaw Pty Ltd (Australia, 61.5%)
Barrows North America Inc. (United States, 35%)	Benenson Strategy Group, LLC (United States, 100%)
Barton Deakin Pty Ltd (Australia, 61.5%) ¹	Bento Productions Pty Ltd (Australia, 61.5%)
Base Two Digital (Proprietary) Limited (South Africa, 83.26%)	Berkeley Square Holding BV (Netherlands, 100%) ¹
Bates (Malaysia) Sdn Bhd (Malaysia, 49%) ¹	Berlin, Cameron & Partners, Inc. (United States, 100%)
Bates (Poland) Sp. z.o.o. (Poland, 100%)	Best of Media GmbH (Germany, 100%)
Bates 141 Vietnam Ltd (Vietnam, 100%)	Beyond Analysis Australia Pty Ltd (Australia, 30.14%)
Bates Advertising USA, Inc. (United States, 100%)	Beyond Interactive Limited (United Kingdom, 100%) ¹
Bates Asia Japan Inc. (Japan, 100%)	Beyond Worldwide Ltd (United Kingdom, 49%)
Bates Bangladesh Private Limited (Bangladesh, 87.78%)	BG Intressenter 1997 AB (Sweden, 100%)
Bates Bratislava sro (Slovakia, 100%)	Bi Praha Red Cell s.r.o. (Czech Republic, 100%)
Bates Cambodia Ltd (Cambodia, 100%)	Bianchi Y Asociados SA de CV (El Salvador, 40%)
Bates China Limited (Hong Kong, 100%)	Big Idea Group, Inc. (United States, 30.1%) ²
Bates Hong Kong Limited (Hong Kong, 100%)	Binarix S.A.C. (Peru, 65%)
Bates India Private Ltd (India, 87.78%)	Bisqit Design Limited (United Kingdom, 100%)
Bates Latin America Holdings Ltda (Brazil, 100%)	BJK & E Holdings Limited (United Kingdom, 100%)
Bates Myanmar Limited (Myanmar, 100%)	BJM Research and Consultancy Limited (United Kingdom, 100%)
Bates Nederland Holding BV (Netherlands, 100%) ¹	Black Cat Direct Limited (United Kingdom, 100%)
Bates Not Just Film B.V. (Netherlands, 100%)	Black Cat RMG:Connect Limited (United Kingdom, 100%)
Bates Overseas Holdings Limited (United Kingdom, 100%)	Blackriver Football Club (Proprietary) Limited (South Africa, 43.12%)
Bates Pan Gulf LLC (United Arab Emirates, 40%)	Blast Radius B.V. (Netherlands, 100%)
Bates Red Cell Portugal - Publicidade e Marketing S.A. (Portugal, 80%)	Blast Radius GmbH (Germany, 100%)
Bates SAS (France, 100%)	Blast Radius Inc. (Canada, 100%)
Bates Singapore Asia Pte Ltd (Singapore, 100%)	Blaze Advertising Pty Ltd (Australia, 61.5%)
Bates Taiwan Co Ltd (Taiwan Province of China, 100%)	Blue Hive Shanghai Advertising Co Ltd (China, 100%)
Bates United AS (Norway, 100%)	
Bates Worldwide, Inc. (United States, 100%)	

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Blue Interactive Marketing Inc. (United States, 100%)	Buchanan Advertising Russia (Russia, 61.5%)
Blue Interactive Marketing Limited (Hong Kong, 100%)	Buchanan Communications Limited (United Kingdom, 100%)
Blue Mango Interactive B.V. (Netherlands, 100%)	Buchanan Group Holdings Pte Ltd (Singapore, 61.5%)
Blue State Digital Inc (United States, 100%)	Buchanan Licensing Singapore Pte Ltd (Singapore, 61.5%)
Blue State Digital UK Limited (United Kingdom, 100%)	Bulletin International Limited (United Kingdom, 100%)
BluePrint Marketing Limited (Kenya, 50.1%)	Bulletin International UK Limited (United Kingdom, 100%)
Blumerry GmbH (Germany, 82.5%)	Bullseye (Asia Pacific) Pty Ltd (Australia, 61.5%)
BMRB Customer Satisfaction Limited (United Kingdom, 100%)	Bullseye Digital (New Zealand) Ltd (New Zealand, 61.5%)
BMRB Customer Satisfaction Measurements Limited (United Kingdom, 100%)	Bullseye Group Pty Ltd (Australia, 61.5%)
BMRB UK Ltd (United Kingdom, 100%)	Burson Marsteller A/S (Denmark, 100%)
Bold Ogilvy & Mather S.A. (Greece, 33.49%)	Burson Marsteller Colombia SAS (Colombia, 100%)
Bold Propaganda SA (Brazil, 49%)	Burson Marsteller de Venezuela CA (Venezuela, 100%)
Bon View Trading 23 (Proprietary) Limited (South Africa, 32.1%)	Burson Marsteller Ltda (Brazil, 99.99%)
Bon View Trading 56 (Pty) Ltd (South Africa, 32.88%)	Burson Marsteller México, S.de R.L. de C.V. (Mexico, 100%)
Bon View Trading 59 (Pty) Ltd (South Africa, 49%)	Burson Marsteller Peru S.A.C. (Peru, 100%)
Bonsai GmbH (Germany, 25.2%)	Burson Marsteller Srl (Italy, 100%)
Bonus Touch Point WLL (Egypt, 40.2%)	Burson-Marsteller (Asia) Limited (Hong Kong, 100%)
Bookmark Communications Ltd (United Kingdom, 100%)	Burson-Marsteller (Hong Kong) Limited (Hong Kong, 100%)
Bookmark Content Ltd (United Kingdom, 100%)	Burson-Marsteller (Malaysia) SDN BHD (Malaysia, 100%)
Boole Relaciones Inteligentes con Clientes SL (Spain, 99.96%)	Burson-Marsteller (S.E.A.) Pte Ltd (Singapore, 100%)
Bottle Rocket LLC (United States, 100%)	Burson-Marsteller (UK) Limited (United Kingdom, 100%)
Box of Vegetables Limited (United Kingdom, 75.3%)	Burson-Marsteller AB (Sweden, 100%)
Boxlink Pty Ltd (Australia, 49.2%)	Burson-Marsteller AG (Switzerland, 100%)
Brand Ad Sdn. Bhd (Malaysia, 100%)	Burson-Marsteller AS (Norway, 100%)
Brand Communications (Shanghai) Limited (China, 36%)	Burson-Marsteller B.V. (Netherlands, 100%)
Brand Communications International Limited (Hong Kong, 60%)	Burson-Marsteller Co Ltd (Japan, 100%)
Brand David Communications Private Limited (India, 86.06%)	Burson-Marsteller Comunicaciones Limitada (Chile, 100%)
Brand Fibres sp. z o.o. (Poland, 49%)	Burson-Marsteller GmbH (Germany, 100%)
Brand New Telly Industries BV (Netherlands, 30%)	Burson-Marsteller Holdings Proprietary Limited (South Africa, 59.67%)
Brand Pier GmbH (Germany, 60%)	Burson-Marsteller i&e SAS (France, 100%)
Brand Union Germany - Berlin GmbH (Germany, 100%)	Burson-Marsteller Korea Co Ltd (Republic of Korea, 100%)
Brand Union Germany - Hamburg GmbH (Germany, 100%)	Burson-Marsteller Limited (United Kingdom, 100%)
Brandamp Ltd (United Kingdom, 100%)	Burson-Marsteller Pty Ltd (Australia, 61.5%)
Brandanalytics Consultoria Ltda (Brazil, 55%)	Burson-Marsteller S.A. (Argentina, 51%)
Brandigital Panama S.A. (Panama, 70%)	Burson-Marsteller SL (Spain, 100%)
Brandigital S.A. (Argentina, 70%)	Burson-Marsteller sprl/bvba (Belgium, 100%)
Brandigital SpA (Chile, 70%)	Burson-Marsteller Vietnam Company Limited (Vietnam, 60%)
Brandsh Media (Pty) Limited (South Africa, 59.37%)	Burson-Marsteller, LLC (United States, 100%)
Brett Goulston & Associates Pty Ltd (Australia, 20.59%)	Business Design Group McColl Limited (United Kingdom, 100%)
Brian Fine Holdings 2 Pty Ltd (Australia, 61.5%)	Business Planning and Research Limited (United Kingdom, 100%)
Brierley & Partners, Inc. (United States, 20%) ²	Buyerminds Brussels NV (Belgium, 38.25%)
Brima Doo (Macedonia, 34%)	C & C Action Marketing Ltda (Colombia, 62.57%)
British Market Research Bureau Limited (United Kingdom, 100%)	Cairos Usabilidade Ltda (Brazil, 60%)
BSB Comunicacion y Publicidad S.L. (Spain, 51%)	Caliber A/S (Denmark, 60%)
BSB Publicidad SA (Spain, 100%)	Calvary, Inc (United States, 100%)
BSB Publicidad Tenerife SL (Spain, 51%)	Campaign Planning Limited (United Kingdom, 100%) ³
BU India Private Limited (India, 100%)	Campaigns & Grey Inc (Philippines, 75%)
Buchanan Advertising (Australia) Pty Ltd (Australia, 61.5%)	Candle-Lit Films Pty Ltd (Australia, 61.5%)
Buchanan Advertising (Canada) Inc. (Canada, 61.5%)	Candyspace Media Limited (United Kingdom, 20%)
Buchanan Advertising (Malaysia) Sdn. Bhd (Malaysia, 61.5%)	Canning Corporate Communication Pty Ltd ATF Cannings Unit Trust (Australia, 61.5%)
Buchanan Advertising (Malaysia) Sdn. Bhd (Malaysia, 61.5%)	Cannings Advisory Services Pty Ltd (Australia, 61.5%)
Buchanan Advertising (UK) Ltd (United Kingdom, 61.5%)	Capital IV LLC (United States, 100%)
Buchanan Advertising Russia (Russia, 61.5%)	Captivate Group Limited (United Kingdom, 32.97%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Carbon 14 SA (France, 82.93%)	Circus Social Pte. Ltd (Singapore, 25.5%)
Cargo Future Communications Gesellschaft mit beschränkter Haftung (Germany, 35%)	City & Corporate Counsel Limited (United Kingdom, 100%)
Carl Byoir (UK) Limited (United Kingdom, 100%)	City Research Associates Limited (United Kingdom, 100%)
Carl Byoir Japan Ltd (Japan, 100%)	City Research Group Limited (United Kingdom, 100%)
CARNATION GROUP DOO (Serbia, 100%)	Clarion Communications (P.R.) Limited (United Kingdom, 100%)
CARNATION GROUP S.R.L. (Romania, 100%)	Classe Assistência Médica S/S Ltda. (Brazil, 99.56%)
CARNATION Zrt. (Hungary, 100%)	Classic Partnership Advertising FZ LLC (United Arab Emirates, 60%)
Carnival Productions Pty Ltd (Australia, 61.5%)	Cleartag FZ LLC (United Arab Emirates, 40.2%)
Catalyst Advertising Pty Ltd (Australia, 61.5%)	Cleartag Holding Limited (United Arab Emirates, 40.2%)
Catalyst Online LLC (United States, 100%)	Clever Media Products Ltd (United Kingdom, 100%)
Cavabridge Pty Ltd (Australia, 61.5%)	Click Media Joint Stock Company (Vietnam, 60%)
Cavalry, Inc. (United States, 100%)	Clipability Limited (United Kingdom, 97.17%)
Cavendish Square Holding BV (Netherlands, 100%)	Clockwork Capital Limited (United Kingdom, 50%)
CB Associees SAS (France, 82.83%)	CM Interactive, S.A. de C.V. (Mexico, 96%)
CBA Activation SAS (France, 81.22%)	CMI Media, LLC (United States, 100%)
CBA Architecture Commerciale et Design D'environnement SAS (France, 82.92%)	Cockpit Holdings Limited (United Kingdom, 100%) ¹
CBA DESIGN SOLUTIONS (Turkey, 33.19%)	Cockpit Two Limited (United Kingdom, 100%)
CB'a Graell Design, SL (Spain, 78.5%)	Code Computer Love Limited (United Kingdom, 76.16%)
CBA London Limited (United Kingdom, 82.98%)	Cognifide Inc. (United States, 75%)
CB'a Memac FZ LLC (United Arab Emirates, 71.49%)	Cognifide Limited (United Kingdom, 75%)
CBA Milan (Italy, 82.98%)	Cognifide Polska Sp z o.o. (Poland, 75%)
CCG Creative Communications Group Limited (Ireland, 31.77%)	Cohn & Wolfe Africa (Pty) Ltd (South Africa, 59.67%)
CEEOR Hungary Kft (Hungary, 100%)	Cohn & Wolfe Impact Asia Limited (Hong Kong, 85%) ³
CEEOR Slovakia s.r.o (Slovakia, 100%)	Cohn & Wolfe Limited (United Kingdom, 100%)
Celsius GKK International Sarl (France, 100%)	Cohn & Wolfe Marketing Communications Consulting (Shanghai) Co Ltd (China, 85%)
Cen Halka Iliskiler A.S. (Cenajans Grey PR and Adv. Inc.) (Turkey, 25%)	Cohn & Wolfe México, S.A. de C.V. (Mexico, 100%)
Cenajans Reklamcilik A.S. (FKA Cenajans/Grey) (Turkey, 25%)	Cohn & Wolfe Public Relations GmbH & Co. KG (Germany, 100%)
Center Partners, Inc. (United States, 100%)	Cohn & Wolfe SA (France, 87.9%)
Centrale Holding Du Bois Ording B.V. (Netherlands, 100%)	Cohn & Wolfe Sp.z.o.o. (Poland, 87.49%)
Centrul Pentru Studierea Opiniei si Pietii (CSOP) SRL (Romania, 55.12%)	Cohn & Wolfe Srl (Italy, 100%)
Cerebra Communications Proprietary Limited (South Africa, 75.91%)	Cohn & Wolfe Stockholm AB (Sweden, 100%)
Chafma B.V. (Netherlands, 100%)	Cohn & Wolfe Verwaltungs GmbH (Germany, 100%)
Chameleon Digital Systems Pty Ltd (Australia, 61.5%)	Cohn & Wolfe XPR Pte Limited (Singapore, 60%)
Chatham Bell JWT Limited (United Kingdom, 100%)	Cohn & Wolfe XPR Sdn Bhd (Malaysia, 60%)
Chelsea Market Research Limited (United Kingdom, 100%)	Cole & Weber, Inc. (United States, 100%)
Chemistry Media Limited (New Zealand, 61.5%)	Coley Porter Bell Limited (United Kingdom, 100%)
Chemistry Strategic Communications Limited (Ireland, 29%)	Collins Thomas Cullen Pty Ltd (Australia, 61.5%)
ChengDu Apex Ogilvy Brand Marketing Consulting Co Ltd (China, 51%)	Colloquial Australia Pty Ltd (Australia, 61.5%)
Chi & Partners Limited (United Kingdom, 49.9%)	Colloquial Comunicação do Brasil Ltda (Brazil, 100%)
Chi Wunderman Partnership, LLC (United States, 50%)	Colloquial LLC (United States, 100%)
CHI Wunderman UK Limited (United Kingdom, 74.95%)	Colloquial UK Limited (United Kingdom, 100%) ³
Chime Communications Limited (United Kingdom, 24.85%)	Colmar & Brunton Research Limited (New Zealand, 51.55%)
Chime Group Holdings Limited (United Kingdom, 24.85%)	Colmar Brunton Pty Ltd (Australia, 31.38%)
Chimera Square Insurance Company (United States, 100%)	Colon Marketing BV (Netherlands, 100%)
CIA Holding B.V. (Netherlands, 100%)	Colwood Healthworld Limited (United Kingdom, 100%)
CIA Nominees Limited (United Kingdom, 100%)	Comercial de Productos y Alquileres, S.A. (Spain, 100%)
CIA Norway Holdings AS (Norway, 100%)	Commarco GmbH 120274 (Germany, 100%)
CIC (Shanghai) Information Technology Co. Ltd. (China, 100%)	Commarco Services GmbH (Germany, 100%)
CiForce (Proprietary) Limited (South Africa, 37.1%)	Commodore Thompson Music, LLC (United States, 100%)
Circus Grey Peru S.A.C. (Peru, 70%)	Common Technology Centre EEIG (United Kingdom, 100%)
	Communication Group, a.s. (Slovakia, 30%)
	Communique Public Relations Limited (United Kingdom, 100%)
	Compagnie Fonciere Les Yvelines (France, 82.26%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Compañía Hill & Knowlton México, SA de CV (Mexico, 100%)	Cortex Worldwide Limited (United Kingdom, 63.72%)
Compania Rednet Ecuador ECUAREDNET S.A. (Ecuador, 100%)	COUCH POTATOES Fernsehproduktions GmbH & Co. KG (Germany, 100%)
Compas Holding Company LLC (United States, 21.6%)	COUCH POTATOES Verwaltungs GmbH (Germany, 100%)
Compas, Inc. (United States, 60%)	COUPONFACTORY, LLC (United States, 100%)
Compete, Inc. (United States, 100%)	CPR Vision Management Pte Ltd (Singapore, 24.6%)
Competitive Media Reporting, LLC (United States, 100%)	Creative Services Unit Limited (United Kingdom, 100%) ¹
Comwerks Pte Ltd (Singapore, 90%)	Creative Strategy Limited (United Kingdom, 100%)
Concept Agencia de Comunicacao Ltda (Brazil, 70%)	Cree8 B.V. (Netherlands, 50%)
Concept Media Gesellschaft für Planung und Beratung mit beschränkter Haftung (Germany, 100%)	Creo/Young & Rubicam s.r.o. (Slovakia, 60%)
Concorde Finance France SAS (France, 100%)	Cru Holdings Pty Ltd (Australia, 61.5%)
Conexance MD SAS (France, 100%)	CS Reklam Hizmetleri Sanayi Ve Ticaret Anonim Şirketi (Turkey, 70%)
Connect Dijital Hizmetler Limited Sirketi (Turkey, 100%)	CT Digital SAL (Lebanon, 40.2%)
Connect Five Limited (United Kingdom, 100%)	CT Finances SA (France, 82.98%)
Connect Italy srl (Italy, 100%)	CTR Market Research Co., Ltd (China, 46%)
Connect One Limited (United Kingdom, 100%) ¹	Cube Integrated Brand Campaigns (Pty) Ltd (South Africa, 22.71%)
Connect Sales Promotions Direct Marketing and Events Ltd (Israel, 80%)	CUBING SAS (France, 93.56%)
Connect Six Limited (United Kingdom, 100%)	Cudex Pty Ltd (Australia, 30.75%)
Conquest Communications Co Ltd. (Thailand, 99.99%)	Cue Social Marketing (Proprietary) Limited (South Africa, 49%)
Conquest Creative Services Limited (United Kingdom, 100%) ³	Culverbridge Limited (Ireland, 64.35%)
Conquest Egypt for Advertising Limited Liability Company (Egypt, 24.12%)	Customer Brand Services Pty Ltd ATF CBS Marketing Trust (Australia, 61.5%)
Conquest Europe (UK) Limited (United Kingdom, 100%)	CVSC Sofres Media Co Limited (China, 67.6%)
Conquest Marketing Communication Taiwan Limited (Taiwan Branch) (Taiwan Province of China, 100%)	Cygnat Holdings Inc. (United States, 100%) ¹
Conquest Marketing Communications (Hong Kong) Limited (Hong Kong, 100%)	D.O. Participações Ltda. (Brazil, 100%)
Conquest Marketing Communications (Taiwan) Limited (Hong Kong, 100%)	DA search & link, Inc (Japan, 29.86%)
Conquest Media Limited (United Kingdom, 100%)	DAI- ICHI KIKAKU (THAILAND) Co. Ltd (Thailand, 20.67%)
Consortium MRB Hellas Metron Analysis (Greece, 23.47%)	Daipro Pty Ltd Atf Grey Services Unit Trust (Australia, 61.5%)
Consult Brand Strategy B.V. (Netherlands, 100%)	Darwin - Grey Limited (United Kingdom, 100%)
Content Cube GmbH (Germany, 100%)	Dat Viet VAC Media Corporation (Vietnam, 30%)
Contract Advertising (Thailand) Co. Ltd (Thailand, 99.98%)	Data Alliance, Inc. (United States, 100%)
Contract Advertising Company Limited (Hong Kong, 100%)	DATA@OGILVY PTY LTD (Australia, 27.68%)
Contract Advertising India Pvt Ltd (India, 84.4%)	David Advertising (Taiwan) Co. Ltd (Taiwan Province of China, 70%)
Contract Advertising Services Singapore Pte. Ltd. (Singapore, 100%)	David Argentina S.A. (Argentina, 100%)
Contract Communications Sdn Bhd (Malaysia, 63.25%)	David Brasil Comunicação Ltda (Brazil, 100%)
Converge Technologies (Private) Limited (Pakistan, 30%)	David Communications (Beijing) Group Co. Ltd (China, 100%)
Cordiant (US) Holdings Limited (United Kingdom, 100%)	David Communications Group Limited (Hong Kong, 100%)
Cordiant Advertising Holding SA (Spain, 100%)	David Communications KK (Japan, 100%)
Cordiant Communications Group Limited (United Kingdom, 100%)	David Miami Inc. (United States, 70%)
Cordiant Communications Group Trustees Limited (United Kingdom, 100%)	David Studio Colombia S.A.S (Colombia, 100%)
Cordiant Group Limited (United Kingdom, 100%) ¹	Dawestyle Inc (Philippines, 40%)
Cordiant Holdings GmbH (Germany, 100%)	DAYI (Shanghai) Consulting Co Ltd (China, 100%)
Cordiant Overseas Holdings Limited (United Kingdom, 100%)	dBOD Brand Planning Co., Ltd (China, 50%)
Cordiant Property Holdings Limited (United Kingdom, 100%)	dBOD International B.V. (Netherlands, 50%)
Cordiant US Holdings, LLC (United States, 100%)	DCSNET Comunicações Ltda. (Brazil, 60.1%)
coretech USA, LLC (United States, 100%)	DDB (Ukraine) Ltd (Ukraine, 35%)
Cornwell Design Pty Ltd (Australia, 61.5%)	Deckchair Studio Limited (United Kingdom, 100%) ³
Corplite Pty. Limited (Australia, 61.5%)	deepblue networks AG (Germany, 100%)
Corporate Vision Limited (United Kingdom, 100%)	Deliriumcybertouch (Asia) Pte Ltd (Singapore, 100%) ¹
	Delvico 2IN SL (Spain, 75%)
	Demand Interactive Pte Ltd (Singapore, 100%)
	Dentsu 24/7 Search Holdings BV (Netherlands, 65%)
	Dentsu Sudler & Hennessey Inc (Japan, 49%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Dentsu Wunderman Inc (Japan, 49%)	Edge Asia Digital Services Sdn Bhd (Malaysia, 61.5%)
Dentsu Young & Rubicam (Vietnam) Limited (Vietnam, 66.67%)	Edge Asia Holdings Pte Ltd (Singapore, 61.5%)
Dentsu Young & Rubicam Co Ltd (Taiwan Province of China, 66.7%)	Edge Marketing Ltd (Hong Kong, 61.5%)
Dentsu Young & Rubicam Ltd (Thailand, 66.67%)	Edge Marketing Ltd (Hong Kong, 61.5%)
Dentsu Young & Rubicam Pte Ltd (Singapore, 66.67%)	Edge Marketing Ltd (British Virgin Islands entity) (British Virgin Islands, 61.5%)
Dentsu Young & Rubicam Sdn Bhd (Malaysia, 66.67%)	Edge Marketing Vietnam Ltd (Vietnam, 61.5%)
Dentsu, Young & Rubicam Advertising Co Ltd (China, 45%)	Effect Halkla İlişkiler Ve Turizm Hizmetleri Anonim Şirketi (Turkey, 60%)
Dentsu, Young & Rubicam KK (Japan, 49%)	Effective Brands Limited (United Kingdom, 100%)
Dernilog S.A. (Uruguay, 51%)	Effective Sales Personnel Limited (United Kingdom, 51%)
Design Direct Greece SA (Greece, 22.1%)	EffectiveBrands Holding B.V. (Netherlands, 100%)
Design Direct Tokyo GK (Japan, 100%)	EffectiveBrands KK (Japan, 100%)
Design Lab Are Ogilvy AB (Sweden, 25%)	Egift (Shanghai) Design and Production Co., Ltd (China, 75%)
Designercity (HK) Limited (Hong Kong, 51%)	Elemental Interactive LLC (United States, 35%)
Designworks (Melbourne) Pty Ltd (Australia, 61.5%)	Emaxol Limited (United Kingdom, 100%)
Designworks (NZ) Limited (New Zealand, 52.52%)	EMNID Gesellschaft mit beschränkter Haftung (Germany, 100%)
Designworks (Sydney) Pty Ltd (Australia, 61.5%)	Emopublica SA (Spain, 20%)
Designworks Strategic Branding Pte Ltd (Singapore, 61.5%)	Emor AS (Estonia, 74.18%)
Despatch S.A. (Uruguay, 51%)	Encompass Events Private Ltd (India, 90%)
Dewey Square Group, LLC (United States, 100%)	Encompass Private Ltd (Singapore, 90%)
Di Paola & Asociados S.A. (Argentina, 20%)	Enduring Organisation (United Kingdom, 100%)
Dialogue Marketing Partnership Limited (United Kingdom, 100%)	Enduring Organisation Three (United Kingdom, 100%)
Diamond Ogilvy LLC (Republic of Korea, 100%)	Enduring Organisation Two (United Kingdom, 100%)
Digital Artwork & Reprographic Technology Limited (United Kingdom, 100%) ³	Energia Brasil Propaganda Ltda (Brazil, 100%)
Digital Factory S.A.L (Offshore) (Lebanon, 67%)	Energia Labstore S.A.S (Colombia, 100%)
DigitalLondon Limited (United Kingdom, 100%)	Energia, Y&R Comunicações de Varejo Ltda (Brazil, 100%)
DIK OCEAN Advertising Co. Ltd (Taiwan Province of China, 24.32%)	Energy Data Services Limited (United Kingdom, 97.17%)
Dimarso S.A. (Belgium, 100%)	Enfatico LLC (United States, 100%)
Dinamica Multiple SA (Mexico, 100%)	Enfatico Pte Ltd (Singapore, 90%)
Direct MediaCom Limited (United Kingdom, 100%)	Engage CEE GmbH (Austria, 100%)
Direct.com LLC (United States, 50.5%)	Engage Communications Limited (Kenya, 40%)
DirectCom Limited (United Kingdom, 100%)	Enterprise IG UK Limited (United Kingdom, 100%)
Discount Presse SAS (France, 96.11%)	Entertainment Press Cuttings Agency Limited (United Kingdom, 97.17%)
Disruptive Capital Partners LLC (United States, 30.25%)	Eperium Business Solutions BV (Netherlands, 100%)
DK Advertising (HK) Ltd (Hong Kong, 24.32%)	Eperium Business Solutions India Private Limited (India, 99.75%)
DNX Limited (United Kingdom, 86.3%)	Eperium Holding BV (Netherlands, 100%)
Doğrudan Etkinlik Yönetimi ve Pazarlama Ltd (Turkey, 60%)	Eperium India BV (Netherlands, 100%)
Dolphin Square Holding B.V. (Netherlands, 100%)	Epigram Brand Union Comunicação Ltda., (Brazil, 59.99%)
Dong Tay Promotions Corporation (Vietnam, 30%)	Epigram Brand Union Design Ltda. (Brazil, 60.03%)
Dorland Werbeagentur GmbH (Germany, 80%)	ePromode Holdings Sdn. Bhd. (Malaysia, 68%)
Dovetail Contract Furniture Limited (United Kingdom, 100%)	Equinox Communications Sdn Bhd (Malaysia, 49%)
Dr. Puttner And Bates Limited (United Kingdom, 100%)	Equus Advertising Company Ltd (India, 30%)
Drummer Associates, Inc. (United States, 100%)	Era Ogilvy Public Relations Co., Limited (Hong Kong, 70%)
DSBK Activate GmbH (Germany, 100%)	ESaratoga Lab Pty Ltd (Australia, 61.5%)
DT Digital Pty Ltd (Australia, 61.5%)	Esc Scholz & Friends S.A. (Spain, 80%)
DTMillipede Pty Ltd (Australia, 61.5%)	ESP Properties Group Limited (United Kingdom, 100%)
dtSI Inc (Republic of Korea, 65%)	ESP Properties, LLC (United States, 100%)
Du Bois Ording Design B.V. (Netherlands, 100%)	Espacios S.A. (Argentina, 33.3%)
Dynamiclogic (Europe) Limited (United Kingdom, 100%)	Essence Communications Sdn Bhd (Malaysia, 60%) ¹
eAgency Co Ltd (Vietnam, 39.98%)	Essence Digital Australia PTY Limited (Australia, 100%)
Eaton Square Limited (United Kingdom, 100%) ⁵	Essence Digital Group Limited (United Kingdom, 100%)
EBSI Holding BV (Netherlands, 100%)	Essence Digital Japan KK (Japan, 100%)
Eco Young & Rubicam SA (Guatemala, 40%)	Essence Digital Limited (United Kingdom, 100%)
Edge Asia Digital Services Sdn Bhd (Malaysia, 61.5%)	

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Essence Digital Singapore Private Limited (Singapore, 100%)	Fitch Design Consultants Limited (United Kingdom, 100%)
Essence Digital, Inc (United States, 100%)	FITCH Design Limited (Hong Kong, 87.5%)
Estudio Graphic Line SLU (Spain, 100%)	Fitch Design Pte Ltd (Singapore, 100%)
Estudios de Mercado LP de México, S.A. de C.V. (Mexico, 100%)	Fitch Design Sdn Bhd (Malaysia, 100%)
ETECTURE GmbH (Germany, 25.2%)	FITCH FZ-LLC (United Arab Emirates, 87%)
Ethnic Communications Pty Ltd (Australia, 61.5%)	Fitch Inc. (United States, 100%)
Euroclearing Limited (United Kingdom, 100%)	Fitch Live Limited (United Kingdom, 100%)
Eurocrew Limited (United Kingdom, 100%)	Fitch Worldwide Limited (United Kingdom, 100%)
Europa Motorsports Limited (United Kingdom, 23.34%)	Fitch: Qatar Limited (United Kingdom, 100%)
Europanel Raw Database G.I.E. (Belgium, 50%)	Flexible Organisation (United Kingdom, 100%)
Europanel Raw Database G.I.E. (United Kingdom, 50%)	Focus Assistência Médica Ltda. (Brazil, 99.94%)
European Market Research Bureau Limited (United Kingdom, 100%)	Focus Media SL (Spain, 100%)
Euroteste-Marketing e Opiniao, SA (Portugal, 100%)	Focus Research Limited (New Zealand, 100%)
Everest Brand Solutions Pvt Ltd (India, 26.67%)	Food Group, Inc (United States, 100%)
Evocatif Pty Ltd (Australia, 61.5%) ¹	Fortune Cookie (UK) Limited (United Kingdom, 100%)
EWA Ireland Ltd (Ireland, 100%)	Forward Publishing Agency Ltd (United Kingdom, 100%)
EWA Limited (United Kingdom, 100%)	Forward Worldwide Limited (United Kingdom, 100%)
ExcentricGrey Lisboa - Agencia de Publicidade S.A. (Portugal, 100%)	Foster Informatica Ltda (Brazil, 70%)
Expanded Media Holdings Pty Ltd (Australia, 61.5%)	Foster Turner & Benson Limited (United Kingdom, 100%)
Expanded Media Investments Pty Ltd (Australia, 61.5%)	FOVA Inc. (United States, 100%)
Expansion de Ventas SL (Spain, 90%)	Freeway Communications Ltd (Hong Kong, 100%)
Extension 11, Inc. (United States, 100%) ²	Fresh Fruit Digital B.V. (Netherlands, 100%)
Extern Finland Oy (Finland, 100%)	Freunde des Hauses Werbeagentur GmbH (Germany, 41.65%)
Extreme Close Up Production LLC (Egypt, 24.12%)	Friendly Film A/S (Denmark, 100%)
Eyepatch LA Inc. (United States, 100%)	Fudge Group Pty Ltd (Australia, 61.5%)
F + I GmbH, Research Consulting Marktforschung (Germany, 51.56%)	Fulano Marketing e Tecnologia Ltda (Brazil, 71.44%)
F.biz Argentina S.R.L. (Argentina, 100%)	Fullsix SpA (Italy, 29.99%)
Fabric Worldwide, Inc. (United States, 100%)	Fusepump Affiliates Ltd (United Kingdom, 100%)
facts and fiction GmbH (Germany, 58.5%)	Fusepump Limited (United Kingdom, 100%)
Fame Advertising Pty Ltd (Australia, 61.5%)	Fusion Enterprises Pty Ltd (Australia, 30.14%)
Famous Relations NV (Belgium, 67.5%)	FUSION HOSTING PTY LTD (Australia, 30.14%)
FamousGrey NV (Belgium, 75%)	G.M.E. FZ-LLC (United Arab Emirates, 60%)
FAST - Financial Administration Solutions & Technologies Srl (Italy, 100%)	G2 Aviation China Sourcing Co. Ltd (China, 51%)
FAST4WD Ogilvy Limited (United Kingdom, 100%)	G2 Branding and Design Limited (United Kingdom, 100%)
FBIZ Comunicacao Ltda (Brazil, 71.23%)	G2 China Co. Ltd (China, 100%)
FBZ Participacoes S.A. (Brazil, 71.44%)	G2 Communications Pvt Ltd (India, 100%)
Feedback ASAP Pty Ltd (Australia, 24.6%)	G2 Data Dynamics Limited (United Kingdom, 100%)
Feinstein Kean Partners - Canada, Ltd. (Canada, 100%)	G2 Düsseldorf GmbH (Germany, 100%)
Fieldwork RI SAS (France, 100%)	G2 Helsinki Oy (Finland, 22.5%)
Finance Plus Australia Pty Ltd (Australia, 61.5%)	G2 Hong Kong Ltd (Hong Kong, 100%)
Financeplus USA (HC), LLC (United States, 100%)	G2 Interactive Limited (United Kingdom, 100%)
Financeplus USA, LLC (United States, 100%)	G2 International Corp (Panama, 100%)
Financial & Media Services (NZ) Ltd (New Zealand, 61.5%)	G2 London Limited (United Kingdom, 100%)
Financiere Poster SAS (France, 95%)	G2 Rams India Pvt Ltd (India, 80%) ¹
Finnannel Oy (Finland, 50%)	G2 Star Echo Marketing Communications Co. Ltd (China, 51%)
Finsbury Asia Limited (Hong Kong, 100%)	G2 Worldwide Spain S.L.U (Spain, 100%)
Finsbury FZ LLC (United Arab Emirates, 100%)	G7.0 Servicios Gráficos, SA de CV (Mexico, 60%)
Finsbury LLC (United States, 100%)	Gain Theory Consulting Private Limited (India, 100%)
Firefly Market Research India Private Limited (India, 100%)	Gain Theory Limited (United Kingdom, 100%)
First Music Limited (United Kingdom, 100%)	Gain Theory, LLC (United States, 100%)
Fisheye Analytics Pte. Ltd. (Singapore, 100%)	Gallup A/S (Norway, 100%)
	Gamaroff Limited (United Kingdom, 100%)
	Gambit Hill & Knowlton AS (Norway, 100%)
	Garrott Dorland Crawford Holdings Limited (United Kingdom, 100%) ⁴

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

GCG Perú S.A.C. (Peru, 100%)	Geometry Global, Inc. (Philippines, 51%)
GCI Communications (Turkey, 25%)	Geometry@JWT Limited (United Kingdom, 100%)
GCI Communications Inc./Communication GCI Inc. (Canada, 100%)	George Patterson Partners Pty Ltd (Australia, 61.5%) ¹
GCI Financial (Holdings) Limited (United Kingdom, 100%)	George Patterson Y&R Pty Ltd (Australia, 61.5%)
GCI Financial Group Limited (United Kingdom, 100%)	Get Ready Production SAS (France, 68.17%)
GCI Finland Oy (Finland, 22.5%)	GHG Access Limited (United Kingdom, 100%)
GCI Group Limited (United Kingdom, 100%)	GHG GreyHealth Group LLC (United States, 100%)
GCI Healthcare Limited (United Kingdom, 100%)	GHG Greyhealth Kansas City LLC (United States, 100%)
GCI Jane Howard Limited (United Kingdom, 100%)	ghg Summit LLC (United States, 100%)
GCI London Limited (United Kingdom, 100%)	GIIR Inc (Republic of Korea, 29.37%)
GCI Nederland BV (Netherlands, 100%)	gkk DialogGroup GmbH (Germany, 100%)
GDM Grey Direct Marketing (Turkey, 25%)	gkk Hannover GmbH Agentur für Dialogmarketing (Germany, 100%)
GE İKİ İLETİSİM HİZMETLERİ VE DANIŞMANLIK ANONİM ŞİRKETİ (Turkey, 90%)	Global "Sportnet" Beteiligungs GmbH (Germany, 100%)
Generation Alliance Pty Ltd (Australia, 43.05%)	Global "Sportnet" Sportmarketing GmbH & Co. KG (Germany, 100%)
Genesis Advertising Pty Ltd (Australia, 61.5%)	Global Counsel Consulting LLP (United Kingdom, 20%)
Genesis Burson-Marsteller Public Relations Private Ltd (India, 100%)	Global Counsel Ltd (United Kingdom, 20%)
Geometry (Sydney) Pty Ltd (Australia, 61.5%)	Global Market Insite UK Limited (United Kingdom, 100%)
Geometry Argentina S.A. (Argentina, 51%)	Global Smollan Holdings Limited (Mauritius, 25.38%)
Geometry Global (Taiwan) Co Ltd (Taiwan Province of China, 100%)	Global Sportnet UK Limited (United Kingdom, 100%)
Geometry Global (UK) Limited (United Kingdom, 100%)	Global Strategies Holdings Inc. (United States, 100%)
Geometry Global Advertising L.L.C. (United Arab Emirates, 100%)	Global Strategies International, LLC (United States, 70%)
Geometry Global Benelux B.V. (Netherlands, 100%)	Global WSH Investment Holdings Limited (Mauritius, 47.03%)
Geometry Global Brasil Comunicação Ltda. (Brazil, 85%)	Globant S.A. (Luxembourg, 20%)
Geometry Global Cape (Pty) Ltd (South Africa, 53.73%)	Gloo Digital Design Proprietary Limited (South Africa, 53.73%)
Geometry Global Chile SpA (Chile, 100%)	Glue Chile SpA (Chile, 100%)
Geometry Global Colombia S.A.S. (Colombia, 100%)	Glue Latinoamérica S.A. (Ecuador, 20%)
Geometry Global Company Limited (Hong Kong, 100%)	GMBG Holdings Spain SL (Spain, 100%)
Geometry Global Costa Rica Agencia de Publicidad S.R.L. (Costa Rica, 80%)	GMT+0 Limited (United Kingdom, 100%)
Geometry Global GmbH 77625 (Germany, 100%)	GN360 Propaganda Ltda. (Brazil, 90%)
Geometry Global Hungary Kft (Hungary, 100%)	Go Advertising (Proprietary) Limited (South Africa, 40.3%)
Geometry Global India Pvt (India, 90%)	Golden Fame International Holdings Ltd (Hong Kong, 60%)
Geometry Global Interactive Sdn Bhd (Malaysia, 100%)	Goldfarb Consultants México, S.A. de C.V. (Mexico, 51%)
Geometry Global Japan GK (Japan, 100%)	Goldfarb Consultants UK Limited (United Kingdom, 100%)
Geometry Global Johannesburg (Pty) Ltd (South Africa, 53.73%)	Goldfarb Focus Limited (United Kingdom, 100%)
Geometry Global Korea Co. Ltd (Republic of Korea, 100%)	Good Neighbor Foundation Inc. (United States, 100%)
Geometry Global Limited (United Kingdom, 100%)	GOROID KFT (Hungary, 51%)
Geometry Global LLC (United States, 100%)	GPAT S.A. - Propaganda e Publicidade (Brazil, 50.99%)
Geometry Global Ltd (Thailand, 100%)	GPG Acquisition Inc. (United States, 100%)
Geometry Global Peru S.A. (Peru, 70%)	Graffiti Group Pty Ltd (Australia, 33.83%)
Geometry Global PR SDN BHD (Malaysia, 100%)	Gram Reklamcilik Ltd Sti (Turkey, 100%)
Geometry Global Pty Ltd (Australia, 61.5%)	GRAMM Werbeagentur GmbH (Germany, 100%)
Geometry Global Romania SRL (Romania, 100%)	Grand Wealth International Holdings Limited (Hong Kong, 51%)
Geometry Global S.A.S. (France, 100%)	Grape LLC (Russia, 60%)
Geometry Global s.r.o. (Czech Republic, 100%)	Grape Media (Russia, 48%)
Geometry Global Sdn Bhd (Malaysia, 100%)	Graphic People Ltd (Bangladesh, 60%) ¹
Geometry Global Sp z o.o. (Poland, 100%)	Grass Roots Digital Fibre Limited (United Kingdom, 22.84%)
Geometry Global Spain S.A. (Spain, 100%)	Green Five Pty Ltd (Australia, 61.5%)
Geometry Global Srl (Italy, 100%)	Greenhouse Group B.V. (Netherlands, 100%)
Geometry Global Ukraine Enterprise LLC (Ukraine, 100%)	Grego Limited (Kenya, 65.81%)
Geometry Global Venezuela C.A. (Venezuela, 80%)	Grey (Thailand) Co Ltd. (Thailand, 99.99%)
	Grey Advertising (Bangladesh) Ltd. (Bangladesh, 60%)
	Grey Advertising (Vancouver) ULC (Canada, 100%)
	Grey Advertising Africa Proprietary Limited (South Africa, 58.46%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Grey Advertising de Venezuela, C.A. (Venezuela, 100%)	Grey Interactive Europe Limited (United Kingdom, 100%)
Grey Advertising Hong Kong Ltd (Hong Kong, 100%)	Grey Interactive Ltd (Hong Kong, 60%)
Grey Advertising Limited (Hong Kong, 100%)	Grey International Limited (Hong Kong, 100%)
Grey Advertising Limited (United Kingdom, 100%)	Grey Limited (United Kingdom, 100%)
Grey Advertising ULC/Publicite Grey ULC (Canada, 100%)	Grey Ljubljana Agencija za trzne komunikacije d.o.o. (Slovenia, 100%)
Grey Argentina S.A. (Argentina, 100%)	Grey London Limited (United Kingdom, 100%)
Grey Athens SA (Greece, 100%)	Grey Maryland LLC (United States, 100%)
Grey Australia New Zealand Pty Ltd (Australia, 61.5%) ¹	GREY media GmbH (Germany, 51%)
Grey Brasil Holdings B.V. (Netherlands, 100%)	Grey México, S.A. de C.V. (Mexico, 100%)
Grey Bulgaria Ltd (Bulgaria, 100%)	Grey Midlands Limited (United Kingdom, 100%)
Grey Canberra Pty Ltd Atf Grey Canberra Unit Trust (Australia, 61.5%)	Grey Netherlands Holding B.V. (Netherlands, 100%)
Grey Channel (Proprietary) Limited (South Africa, 83.27%)	Grey Network Limited (United Kingdom, 100%)
Grey Chile SpA (Chile, 100%)	Grey Nordic ApS (Denmark, 100%)
Grey China Marketing Communications Co Ltd (China, 100%)	Grey North Limited (United Kingdom, 100%)
Grey CIS Werbeagentur GmbH (Germany, 100%)	Grey NT Limited (United Kingdom, 100%)
Grey Communications Group Limited (United Kingdom, 100%) ¹	Grey Paris SAS (France, 100%)
Grey Direct & Digital OY (Finland, 22.5%)	Grey Possible JV Sp.z.o.o. (Poland, 100%)
Grey Direct Interactive Co. Ltd (Thailand, 100%)	Grey Pro Oy (Finland, 22.5%)
Grey Direct Limited (United Kingdom, 100%)	Grey PTK Advertising Limited (United Kingdom, 100%)
Grey Direct Services Inc. (United States, 100%)	Grey Public Relations Company Ltd (Hong Kong, 100%)
Grey DPI (Guangzhou) Limited (China, 60%)	Grey Publicidade do Brasil Ltda (Brazil, 97.15%)
Grey DPI (Hong Kong) Limited (Hong Kong, 60%)	Grey Shared Services A/S (Denmark, 100%)
GREY Düsseldorf GmbH (Germany, 100%)	Grey Shopper GmbH (Germany, 100%)
Grey East Africa Limited (Kenya, 50.1%)	Grey Siam Co Ltd (Thailand, 99.94%)
Grey Entertainment and Media Limited (United Kingdom, 100%)	Grey Star Public Relations Communication Co. Ltd (China, 25%)
Grey Espana SLU (Spain, 100%)	Grey Technology Services Limited (United Kingdom, 100%) ³
Grey Europe Limited (United Kingdom, 100%)	Grey Ventures Inc. (United States, 100%)
Grey Famously Effective GmbH (Germany, 100%)	Grey Worldwide (India) Pvt.Ltd (India, 100%)
Grey Financial Services (Proprietary) Limited (South Africa, 83.27%)	Grey Worldwide Co. LLC (United Arab Emirates, 100%)
Grey First Serve Advertising Pvt Ltd (Sri Lanka, 60%)	Grey Worldwide d.o.o. (Serbia, 100%)
Grey GB Limited (United Kingdom, 100%)	Grey Worldwide Inc (Japan) (Japan, 100%)
GREY germany GmbH (Germany, 100%)	Grey Worldwide Inc. (Dormant) (US) (United States, 100%)
Grey Global Group (UK) Limited (United Kingdom, 100%)	Grey Worldwide Istanbul Reklamcilik Ltd Sti (Turkey, 100%)
Grey Global Group Australia Pty Ltd (Australia, 61.5%) ¹	Grey Worldwide Kobenhavn A/S (Denmark, 100%)
Grey Global Group France SAS (France, 100%)	Grey Worldwide Korea Inc. (Republic of Korea, 100%)
Grey Global Group LLC (United States, 100%)	Grey Worldwide Limited (United Kingdom, 100%)
Grey Global Group New Zealand Ltd (New Zealand, 100%)	Grey Worldwide Luxembourg S.A. (Luxembourg, 90%)
Grey Global Group Sweden AB (Sweden, 100%)	Grey Worldwide Middle East Network Ltd (Cyprus) (Cyprus, 100%)
Grey Global Group Vietnam Co. Ltd (Vietnam, 51%)	Grey Worldwide Middle East Network Qatar W.L.L. (Qatar, 49%)
Grey GmbH (Germany, 100%)	Grey Worldwide Middle East Network SARL (Lebanon, 78.25%)
Grey Group PTE Ltd (Singapore, 100%)	Grey Worldwide North Africa Network SARL (Morocco, 99%)
Grey Group Services Limited (United Kingdom, 100%)	Grey Worldwide Pty Ltd (Australia, 61.5%) ¹
Grey Group South Africa (Proprietary) Limited (South Africa, 83.27%)	Grey Worldwide Romania SRL (Romania, 100%)
Grey Healthcare Italia Srl (Italy, 100%)	Grey Worldwide Sdn Bhd (Malaysia, 100%)
Grey Healthcare Japan Inc (Japan, 100%)	Grey Worldwide SEA Sdn Bhd (Malaysia, 100%)
Grey Healthcare London Limited (United Kingdom, 100%)	Grey Worldwide South Africa (Proprietary) Limited (South Africa, 83.27%)
Grey Healthcare Ltd (Hong Kong, 100%)	Grey Worldwide Warszawa Sp. z.o.o (Poland, 100%)
Grey Healthcare Paris SA (France, 99.83%)	Grey Worldwide Zagreb d.o.o. (Croatia, 100%)
Grey Holding Central Europe GmbH (Germany, 100%)	Greycom Group LLC (Russia, 100%)
Grey Hungary Kft (Hungary, 100%)	Greycom Limited (United Kingdom, 100%)
Grey Iberia SL (Spain, 100%)	Greycomex, S.A. de C.V. (Mexico, 100%)
Grey IFC 2 LLC (United States, 100%)	Greyhealth Australia Pty Ltd (Australia, 61.5%)
Grey India Inc. (United States, 100%)	greyhealth group GmbH (Germany, 100%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

GreyPOSSIBLE Amsterdam B.V. (Netherlands, 90%)	GroupM Publicidad Worldwide SA (Spain, 100%)
GreyPOSSIBLE Benelux B.V. (Netherlands, 90%)	GroupM Publicidade Advertising Unipessoal, Lda (Portugal, 100%)
GreyPOSSIBLE Brussels SA (Belgium, 90.36%)	GroupM Puerto Rico Inc (Puerto Rico, 100%)
GreyPOSSIBLE Holding B.V. (Netherlands, 100%)	GroupM s.r.o. (Czech Republic, 100%)
GreyUnited srl (Italy, 100%)	GroupM SA Media Holdings Proprietary Limited (South Africa, 78.69%)
GreyWorks A/S (Denmark, 100%)	GroupM Singapore Pte Ltd (Singapore, 100%)
Grooveworks Inc (Japan, 55.56%)	GroupM Slovakia s.r.o. (Slovakia, 100%)
Group Employee Services Pty Ltd (Australia, 61.5%)	GroupM South Africa (Proprietary) Limited (South Africa, 100%)
Group M France SAS (France, 100%)	GroupM Sp.z.o.o. (Poland, 100%)
Group M India Holding B.V. (Netherlands, 100%)	GroupM Srl (Italy, 100%)
Group M MENA FZ-LLC (United Arab Emirates, 100%)	GroupM Sweden AB (Sweden, 100%)
Group M Movie Entertainment Holdings Inc. (United States, 100%)	GroupM Trading (M) Sdn. Bhd. (Malaysia, 100%)
Group M Movie Entertainment, Inc. (United States, 100%)	GroupM Trading Belgium SA (Belgium, 100%)
Group M Worldwide, LLC (United States, 100%)	GroupM Trading Colombia S.A.S. (Colombia, 100%)
Group M WPP Ltd (Ireland, 100%)	GroupM Trading Peru S.A. (Peru, 100%)
Group SJR LLC (United States, 100%)	GroupM Trading Puerto Rico, Inc (Puerto Rico, 100%)
GroupM (Shanghai) Advertising Co. Ltd (China, 100%)	GroupM Trading Venezuela C.A. (Venezuela, 100%)
GroupM Africa Limited (Kenya, 50.1%)	GroupM UK Digital Limited (United Kingdom, 100%)
GroupM Argentina Trading S.A. (Argentina, 100%)	GROUPEM UK Ltd (United Kingdom, 100%)
GroupM Asia Pacific Holdings Pte Ltd (Singapore, 100%)	Gruppa 66 Ogilvy Sp. z.o.o. (Poland, 100%)
GroupM B.V. (Netherlands, 100%)	GTB Agency, LLC (United States, 100%)
GroupM Belgium SA (Belgium, 100%)	GTB Australia Pty Ltd (Australia, 61.5%)
GroupM Canada Inc (Canada, 100%)	GTB Germany GmbH (Germany, 100%)
GroupM Central Europe Zagreb d.o.o (Croatia, 100%)	GTB Stat, LLC (United States, 100%)
GroupM Chile SAC (Chile, 100%)	GTR Solutions Company Limited (Hong Kong, 100%)
GroupM Communications Hong Kong Limited (Hong Kong, 100%)	Guangdong Burson-Marsteller Public Relations Co., Ltd. (China, 100%)
GroupM Communications Pty Ltd (Australia, 61.5%)	Guangzhou Bates Dahua Advertising Co., Ltd (China, 100%)
GroupM Competence Center GmbH (Germany, 100%)	Guangzhou Bates Dahua Advertising Co., Ltd (Shanghai Branch) (China, 70%)
GroupM Connect AG (Switzerland, 100%)	Guangzhou Dawson Human Resources Service Co. Ltd (China, 51%)
GroupM Denmark A/S (Denmark, 100%)	Guangzhou Dawson Marketing Communication Co. Ltd (China, 51%)
GroupM Digital GmbH (Austria, 100%)	Guangzhou G2 Aviation Trading Co Ltd (China, 51%)
GroupM Entertainment Limited (United Kingdom, 100%)	Guangzhou G2 Star Echo Human Resources Co Ltd (China, 51%)
GroupM Finland Oy (Finland, 100%)	Guangzhou Insight Brand Consulting Company Limited (China, 30%)
groupm Germany GmbH (Germany, 100%)	Guangzhou Newsun Insight Advertising Company Limited (China, 30%)
GroupM Holding GmbH (Austria, 100%)	Guangzhou Win-Line Marketing Communications Co. Ltd (China, 51%)
GroupM Interaction LLC (Russia, 100%)	Guangzhou Win-line Ogilvy Management Consulting Co Ltd (China, 51%)
GroupM Japan KK (Japan, 100%)	Gulf Hill & Knowlton WLL (Bahrain, 82%)
GroupM Korea Inc. (Republic of Korea, 100%)	GWE LLC (United States, 100%)
GroupM Limited (Hong Kong, 100%)	H&O de Mexico, S.A. de C.V. (Mexico, 100%)
GroupM LLC (Ukraine, 100%)	H&O GmbH (Germany, 100%)
GroupM Market Advertising Co. Ltd. (China, 100%)	H1 Slovakia s.r.o. (Slovakia, 100%)
GroupM Media (Pty) Ltd (Sri Lanka, 100%)	H1.cz s.r.o. (Czech Republic, 100%)
GroupM Media Communication Services d.o.o. Beograd (Serbia, 100%)	Habitinvestigacion S.A. (Ecuador, 100%)
GroupM Media India Pvt Ltd (India, 69.5%)	Hall & Cederqvist/Young & Rubicam AB (Sweden, 100%)
GroupM Media Operations SRL (Romania, 100%)	Hamilton Russell South Africa (Proprietary) Limited (South Africa, 100%)
GroupM Media Products Pte. Ltd. (Singapore, 100%)	
GroupM Medya Hizmetleri Ticaret Limited Sirketi (Turkey, 100%)	
GroupM New Zealand Limited (New Zealand, 61.5%)	
GroupM Norway AS (Norway, 100%)	
GroupM OG (Austria, 100%)	
GroupM Pakistan (Private) Ltd (Pakistan, 100%)	
GroupM plus Srl (Italy, 100%)	
GroupM Proprietary Media Co., Ltd. (Thailand, 100%)	

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Harrison Patten Troughton Limited (United Kingdom, 100%)	Hill & Knowlton Sweden AB (Sweden, 100%)
Harrogate Estate Ingatlanforgalmazó és Kereskedelmi Kft (Hungary, 50%)	Hill & Knowlton/Samcor LLC (United States, 100%)
H-Art Srl (Italy, 90%)	Hill + Knowlton Strategies A/S (Denmark, 80.01%)
Hawker Britton Pty Ltd (Australia, 61.5%)	Hill and Knowlton Strategies Istanbul Tanıtım Halkla İlişkiler Arastırma Özel Eğitim ve Danışmanlık Anonim Şirketi (Turkey, 51%)
Haylix Services Pty Ltd (Australia, 61.5%)	Hill and Knowlton (SEA) Sdn Bhd (Malaysia, 100%) ¹
HD Comunicacao Ltda (Brazil, 75%)	Hill and Knowlton Asia Limited (Hong Kong, 100%)
Headcount Worldwide Field Marketing Limited (United Kingdom, 25.38%)	Hill and Knowlton Asia Pacific Limited (Hong Kong, 100%)
Headlight Vision Limited (United Kingdom, 100%)	Hill and Knowlton Australia Pty Ltd (Australia, 61.5%) ¹
Healthworld (Schweiz) AG (Switzerland, 100%)	Hill and Knowlton Canada Limited (Canada, 100%)
Healthworld BV (Netherlands, 94%)	Hill and Knowlton Eesti AS (Estonia, 100%)
Healthworld Communications Group (Netherlands) B.V. (Netherlands, 100%)	Hill and Knowlton Finland Oy (Finland, 100%)
Healthworld Holdings Limited (United Kingdom, 100%)	Hill and Knowlton Sp. z o.o (Poland, 100%)
Heath Wallace (Singapore) Pte. Ltd (Singapore, 87.5%)	Hill and Knowlton Strategies, LLC (United States, 100%)
Heath Wallace Australia Pty Ltd (Australia, 53.81%)	Hill and Knowlton/Ducharme Perron Ltee (Canada, 100%)
Heath Wallace Limited (United Kingdom, 87.51%)	Hill+Knowlton Strategies Africa Holdings Limited (Mauritius, 50.1%)
HeathWallace (HK) Limited (Hong Kong, 87.5%)	Hill+Knowlton Strategies B.V. (Netherlands, 100%)
Hel Communications Oy (Finland, 29.7%)	Hill+Knowlton Strategies de Argentina S.A. (Argentina, 100%)
Helix S.à r.l. (Luxembourg, 100%)	Hill+Knowlton Strategies GmbH (Germany, 100%)
Henley Centre Headlight Vision Ltd (United Kingdom, 100%)	Hill+Knowlton Strategies Italy srl (Italy, 100%)
Henley Centre Research Consultants Limited (United Kingdom, 100%)	Hill+Knowlton Strategies s.r.o. (Czech Republic, 100%)
HERING SCHUPPENER Consulting Corporate Affairs & Public Strategies GmbH (Germany, 21.71%)	Hill+Knowlton Strategies SpA (Chile, 100%)
HERING SCHUPPENER Consulting Strategieberatung für Kommunikation GmbH (Germany, 42.56%)	Hilton Advertising Limited (United Kingdom, 100%)
HERING SCHUPPENER Healthcare Unternehmensberatung für Gesundheitskommunikation GmbH (Germany, 39.52%)	Hindustan Thompson Associates Private Limited (India, 74%)
Hering Schuppener Unternehmensberatung für Kommunikation GmbH (Germany, 76%)	Hi-ReSI Berlin GmbH (Germany, 31.07%)
Herring Gull Pte. Ltd. (Singapore, 85%)	Hirschen Group GmbH (Germany, 49%)
Heureka Huga Idea sp. z o.o. sp.k. (Poland, 49%)	Hive Management Services Limited (United Kingdom, 100%)
Heyday Limited (New Zealand, 46.13%)	HK DoctorLink (Internet) Technology Company Limited (Hong Kong, 19.9%)
Hi Resolution (Production) Limited (United Kingdom, 93.75%)	H-Line Ogilvy Communications Company Ltd (China, 100%)
Hi Resolution Inc. (United States, 100%)	H-Line Worldwide Limited (Hong Kong, 100%)
High Co SA (France, 34.13%)	Hoed Holdings Pty Ltd (Australia, 61.5%)
Hill & Knowlton (China) Public Relations Co Ltd (China, 100%)	Hogarth & Ogilvy Inc. (Japan, 100%)
Hill & Knowlton (SEA) Pte Ltd (Singapore, 100%)	Hogarth (Shanghai) Image Video Design & Production Co.Ltd (China, 63.72%)
Hill & Knowlton Brasil Ltda (Brazil, 100%)	Hogarth California LLC (United States, 100%)
Hill & Knowlton CIS Limited (United Kingdom, 100%)	Hogarth Nearshore Limited (United Kingdom, 31.86%)
Hill & Knowlton East Africa Limited (Kenya, 50.1%)	Hogarth Worldwide (Hong Kong) Limited (Hong Kong, 63.72%)
Hill & Knowlton Espana SA (Spain, 51%)	Hogarth Worldwide (Pty) Limited (South Africa, 56.09%)
Hill & Knowlton Gaia Srl (Italy, 100%)	Hogarth Worldwide Argentina S.A. (Argentina, 67.35%)
Hill & Knowlton Guatemala, S.A. (Guatemala, 51%)	Hogarth Worldwide de Mexico, S. de R.L. de C.V. (Mexico, 63.72%)
Hill & Knowlton International Belgium SA (Belgium, 100%)	Hogarth Worldwide GmbH (Germany, 63.72%)
Hill & Knowlton Japan Ltd (Japan, 100%)	Hogarth Worldwide Inc. (United States, 63.72%)
Hill & Knowlton Limited (United Kingdom, 100%) ¹	HOGARTH WORLDWIDE ISTANBUL REKLAMCILIK LIMITED ŞİRKETİ (Turkey, 63.72%)
Hill & Knowlton Portugal SA (Portugal, 100%)	Hogarth Worldwide Japan GK (Japan, 63.72%)
Hill & Knowlton PR Inc (Puerto Rico, 100%) ¹	Hogarth Worldwide Limited (United Kingdom, 63.72%)
Hill & Knowlton Qatar LLC (Qatar, 82%)	Hogarth Worldwide Producao Ltda. (Brazil, 31.22%)
Hill & Knowlton SAS (France, 100%)	HOGARTH WORLDWIDE PTE. LIMITED (Singapore, 63.72%)
Hill & Knowlton Strategies (South Africa) (PTY) Ltd (South Africa, 33.83%)	Hogarth Worldwide Publicidade Brasil Ltda (Brazil, 63.72%)
Hill & Knowlton Strategies Nigeria Ltd (Nigeria, 50.1%)	Hogarth Worldwide Sdn Bhd (Malaysia, 63.72%)
Hill & Knowlton Strategies Uganda Limited (Uganda, 50.1%)	Hogarth Worldwide SRL (Romania, 63.72%)
	Hong Kong Dawson Marketing Communications Company Limited (Hong Kong, 100%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Horizon Video Limited (United Kingdom, 100%)	IDEAMEDIA s.r.o. (Slovakia, 25.5%)
HotWorks Comunicação Ltda (Brazil, 100%)	Ideaworks (Holdings) Pty Ltd (Australia, 61.5%)
Houston Group Pty Ltd (Australia, 27.68%)	IGM S.A. (Brazil, 99%)
Howorth Communications Pty Ltd (Australia, 61.5%)	IGM.Com S.A. (Brazil, 99%)
HS Advertising Inc (FKA LG Advertising Inc) (Republic of Korea, 36%)	Ignite JV Limited (United Kingdom, 50%)
HTA Marketing Services Private Limited (India, 74%)	Ikon Communications (Melbourne) Pty Ltd (Australia, 61.5%)
Huge Idea sp. z o.o. (Poland, 49%)	Ikon Communications (NZ) Ltd (New Zealand, 61.5%)
Human Communications Pty Ltd (Australia, 61.5%)	IKON Communications Pty Ltd (Australia, 61.5%)
Hundred Percent Film Production A/S (Denmark, 100%)	Ikon Perth Pty Ltd The Trustee for Ikon Perth Unit Trust (Australia, 27.68%)
Hungama Digital Services Private Limited (India, 56.04%)	Ilres SA (Luxembourg, 40.8%)
Hungry Boys (Russia, 54%)	Image Plus Pty Ltd (Australia, 61.5%)
Hwa Wei & Grey Co. Ltd. (Taiwan Province of China, 25%)	IMI.Com (Cayman Islands, 44.2%)
HWG Marketing Consultancy (Shanghai) Co. (Taiwan Province of China, 25%)	Impact Employee Communications Pty Ltd (Australia, 61.5%)
HWGL Investment (Holding) Company Limited (Hong Kong, 100%)	Impact Market Management Ltd (British Virgin Islands, 51%)
Hydration Limited (United Kingdom, 100%)	IMRB Dubai (United Arab Emirates, 20.11%)
i Premium Service Bremen GmbH (Germany, 100%)	IMRB MILLWARD BROWN INTERNATIONAL LIMITED (Hong Kong, 100%)
i Premium Service GmbH (Germany, 100%)	IMRB Millward Brown International Pte Ltd (Singapore, 87.26%)
i Premium Service München GmbH (Germany, 100%)	IMT Advertising (Holding) Inc (Panama, 57.3%)
I.M Advertising Pty Ltd (Australia, 43.05%)	Indecsa Research International SA (Spain, 100%)
I.M Promos Pty Ltd (Australia, 61.5%)	Index AD (Bulgaria, 100%)
IBOPE Argentina S/A (Argentina, 99.43%)	Index Albania (Albania, 34%)
IBOPE Instituto Brasileiro de Opinião Pública e Estatística Ltda (Brazil, 100%)	Index Kosova LLC (Serbia, 19.72%)
IBOPE Latinoamericana, S.A. (Uruguay, 99.42%)	Indian Market Research Bureau Private Ltd (India, 74%)
IBOPE Media Costa Rica S.A. (Costa Rica, 99.42%)	Infinitude Holdings Ltd (British Virgin Islands, 51%)
IBOPE Media Guatemala S.A. (Guatemala, 99.42%)	Infodex, S.A. (Spain, 40%)
IBOPE Media LTDA (Chile, 98.42%)	Inforcati - Recolha e Tratamento de Informação, Lda. (Portugal, 38%)
IBOPE Media Panama S/A (Panama, 99.42%)	Información y Decisión Consultores, S.A. (Argentina, 100%)
IBOPE Media S.A. (Chile, 98.92%)	Infratel GmbH Telefonische Datenerhebung und Datenverarbeitung (Germany, 24%)
IBOPE Media Uruguay S.A. (Uruguay, 99.66%)	Infratest Burke Asia Pacific Ltd (United Kingdom, 80%)
IBOPE Monitor de Costa Rica S.A. (Costa Rica, 99.42%)	Infratest dimap Gesellschaft für Trend- und Wahlforschung mbH (Germany, 51%)
IBOPE Monitor de Meios Publicitarios Ltda (Brazil, 99.66%)	InGameAd Interactive Technology Ltd (China, 40.17%) ²
IBOPE Monitor de Panama S.A. (Panama, 99.42%)	Inglefield/Ogilvy & Mather (Caribbean) Ltd (Trinidad and Tobago, 25%)
IBOPE Monitor de Verificação Publicitaria Ltda (Brazil, 100%)	Inglefield/Ogilvy & Mather Guyana Ltd (Guyana, 25%)
IBOPE Monitor Guatemala S.A. (Guatemala, 99.42%)	Initiativ Nya Grey Ogilvy INGO AB (Sweden, 100%)
IBOPE Pacifico (Cayman Islands, 99.42%)	Insight Medical Communications Inc. (United States, 100%)
IBOPE Paraguay S/A (Paraguay, 22.54%)	Instant Data GmbH (Germany, 100%)
IBOPE Solution Ltda (Brazil, 100%)	Intact Limited (United Kingdom, 100%) ⁵
IBOPE Time Costa Rica S/A (Costa Rica, 27.22%)	Integrated Communication Group Holdings WLL (Bahrain, 40.2%)
IBOPE Time Ecuador S/A (Ecuador, 23.14%)	Integres Holding BV (Netherlands, 100%)
IBOPE Time Guatemala S/A (Guatemala, 27.22%)	Intellidyn Corp (United States, 20%)
IBOPE Time Research Holdings (Cayman Islands, 99.42%)	Intelligence Group ApS (Denmark, 75%)
ICherry Publicidade E Propaganda Ltda (Brazil, 100%)	Intelliquest, Ltd (United Kingdom, 100%)
Icomms Media Group Limited (United Kingdom, 100%)	Inter Direct Marketing (Turkey, 25%)
Icon Impact GmbH (Germany, 50.93%)	Interactive Promoworks Sdn. Bhd (Malaysia, 100%)
icon incar GmbH (Germany, 67.9%)	Interactive Television Private Limited (India, 80%)
iconkids & youth international research GmbH (Germany, 39%)	InterBates Beteiligungsgesellschaft mbH & Co. KG (Germany, 100%)
iconmobile GmbH (Germany, 67.9%)	Interface Advertising Pty Ltd (Australia, 61.5%)
iconmobile Limited (United Kingdom, 67.9%)	Intermarkets Advertising FZ- LLC (United Arab Emirates, 57.3%)
iconmobile technologies GmbH (Germany, 67.9%)	Intermarkets Advertising LLC (United Arab Emirates, 28.08%)
Iconmobile, Inc (United States, 100%)	
ICRE8 Pty Ltd (Australia, 61.5%)	
Ideal WPP Participações Ltda. (Brazil, 70%)	

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Intermarkets Bahrain S.P.C. (Bahrain, 57.3%)	J Walter Thompson Middle East and North Africa Jordan LLC (Jordan, 34.17%)
Intermarkets Marketing & Advertising LLC (Jordan, 28.65%)	J Walter Thompson Morocco SARL (Morocco, 67%)
Intermarkets SAL (Lebanon, 57.3%)	J Walter Thompson Private Ltd (Sri Lanka, 100%)
International Creative Marketing KK (Japan, 100%)	J Walter Thompson Publicidade Ltda (Brazil, 100%)
International Market Research Bureau Limited (United Kingdom, 100%)	J Walter Thompson Publicidade Unipessoal Ltda (Portugal, 100%)
International Meetings & Science LLC (United States, 100%)	J Walter Thompson Roma Srl (Italy, 100%)
International Outdoor Systems Ltd (United Kingdom, 45%)	J Walter Thompson S.A. (Panama, 100%)
International Service and Advertising Company (Intermarkets) LLC (Saudi Arabia, 28.08%)	J Walter Thompson S.A. de C.V. (El Salvador, 100%)
InterScreen GmbH Training für Vertrieb und Service (Germany, 45%)	J Walter Thompson SA (Costa Rica) (Costa Rica, 100%)
InterScreen s.r.o. (Czech Republic, 45%)	J Walter Thompson SA (Guatemala) (Guatemala, 100%)
Intramed Communications Srl (Italy, 100%)	J Walter Thompson SA (Nicaragua) (Nicaragua, 100%)
IntraMedic GmbH (Germany, 100%)	J Walter Thompson SAS (France, 100%)
Intuitive Serviços de Inteligência e Análise Digital Ltda (Brazil, 56.07%)	J Walter Thompson Sdn Bhd (Malaysia, 63.25%)
Inversiones CI S.A. (Chile, 100%)	J Walter Thompson South Africa Holdings (Proprietary) Limited (South Africa, 100%)
iPR Ogilvy (China) Limited (Hong Kong, 60%)	J Walter Thompson, Sociedad Anonima (Honduras, 100%)
iPR Ogilvy Holdings Limited (Hong Kong, 60%)	J. Spolka z.o.o. (Poland, 100%)
iPR Ogilvy Limited (Hong Kong, 60%)	J. Walter Thompson (Taiwan) Limited (Hong Kong, 100%)
IR Group Limited (United Kingdom, 100%)	J. Walter Thompson Al Doha (Qatar, 49%)
Ireland Davenport (Pty) Ltd (South Africa, 40.98%)	J. Walter Thompson Chilena SpA (Chile, 100%)
Issues & Images (Holdings) Pty Ltd (Australia, 61.5%)	J. Walter Thompson Colombia S.A.S. (Colombia, 100%)
iStrategyLabs, LLC (United States, 100%)	J. Walter Thompson Company (North Asia) Limited (Hong Kong, 100%)
Istro 3 s.r.o. (Slovakia, 21%)	J. Walter Thompson Company Caribbean (United States, 100%)
Istropolitana Advertising s.r.o. (Slovakia, 30%)	J. Walter Thompson Company Limited (Hong Kong) (Hong Kong, 100%)
ITX Corporation Pty Ltd (Australia, 52.28%)	J. Walter Thompson Company Limited (UK) (United Kingdom, 100%)
J D Power Holdings Pty Limited (Australia, 61.5%)	J. Walter Thompson Company Limited La Compagnie J. Walter Thompson Limitee (Federal, 100%)
J SAS (France, 100%)	J. Walter Thompson Company LLC (United States, 100%)
J Walter Thompson - Bahrain WLL (Bahrain, 67%)	J. Walter Thompson Company Peruana LLC (United States, 100%)
J Walter Thompson (Singapore) Pte Ltd (Singapore, 100%)	J. Walter Thompson Copenhagen A/S (Denmark, 100%)
J Walter Thompson (Taiwan) Limited Taiwan Branch (Taiwan Province of China, 100%)	J. Walter Thompson Experience Egypt for Advertising JWT Experience (Egypt, 40.2%)
J Walter Thompson (Tunisia) SARL (Tunisia, 67%)	J. Walter Thompson Far Eastern Company (United States, 100%)
J Walter Thompson AG (Switzerland, 100%)	J. Walter Thompson GmbH (Germany, 100%)
J Walter Thompson Argentina S.A. (Argentina, 100%)	J. Walter Thompson Group Limited (United Kingdom, 100%)
J Walter Thompson Australia Pty Ltd (Australia, 61.5%)	J. Walter Thompson Italia SpA (Italy, 100%)
J Walter Thompson Cape Town (Proprietary) Limited (South Africa, 74.2%)	J. Walter Thompson Kenya Limited (Kenya, 52.51%)
J Walter Thompson Company (CT) (Proprietary) Limited (South Africa, 74.2%)	J. Walter Thompson Puerto Rico Inc. (Puerto Rico, 100%)
J Walter Thompson Company (JHB) (Proprietary) Limited (South Africa, 74.2%)	J. Walter Thompson s.r.o. (Czech Republic, 100%)
J Walter Thompson Company Central Africa (Private) Ltd (Zimbabwe, 100%)	J. Walter Thompson U.K. Holdings Limited (United Kingdom, 100%)
J Walter Thompson Company South Africa (South Africa, 74.2%)	J. Walter Thompson U.S.A., LLC (United States, 100%)
J Walter Thompson de Venezuela C.A. (Venezuela, 100%)	J. Walter Thompson Uruguay S.A. (Uruguay, 100%)
J Walter Thompson Egypt Advertising Ltd (Egypt, 67%)	J. Walter Thompson Venture Company, Limited (United States, 100%)
J Walter Thompson Finland Oy (Finland, 80%)	J. Walter Thompson Bridge Advertising Co. Ltd. (China, 100%)
J Walter Thompson International (NZ) Limited (New Zealand, 61.5%)	J. Walter Thompson Company (Malawi) Ltd (Malawi, 100%)
J Walter Thompson Japan GK (Japan, 100%)	J. Walter Thompson Tanzania Limited (Tanzania, 41.08%)
J Walter Thompson LLC (United Arab Emirates, 32.83%)	Jan Kelley Marketing (Canada, 22%)
J Walter Thompson Middle East and North Africa E.C. (Bahrain, 67%)	Janya Inc. (United States, 50%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Japan Kantar Research Inc (Japan, 100%)	KANTAR IBOPE Media Ecuador EC-KIM S.A. (Ecuador, 99.42%)
Jay Grey Pty Ltd (Australia, 61.5%)	KANTAR IBOPE Media Peru S.A. (Peru, 99.42%)
JD Power Holdings Pty Ltd (Australia, 61.5%)	KANTAR IBOPE Pesquisa de Mídia e Participações Ltda. (Brazil, 99.66%)
Jermyn Street Communications Centre Limited (United Kingdom, 100%)	KANTAR IBOPE Pesquisa de Mídia Ltda. (Brazil, 99.66%)
JFC Informatique & Media SAS (France, 99.54%)	Kantar Japan KK (Japan, 100%)
JMI Holding LLC (United States, 23.34%)	Kantar Korea Ltd (Republic of Korea, 100%)
Johannes Leonardo LLC (United States, 49%)	Kantar Live GmbH (Germany, 100%)
John Street Inc (Canada, 100%)	Kantar LLC (United States, 100%)
Joule France (France, 100%)	Kantar Market Research Services Pvt Ltd (India, 87.26%)
JTC Scan Ltd (Israel, 80%)	Kantar Media a.s. (Czech Republic, 100%)
Jupicorp (Pty) Limited (South Africa, 60%)	Kantar Media Audiences S.R.L. (Romania, 100%)
Jüssi Intention Marketing Ltda. (Brazil, 75%)	Kantar Media GmbH (Germany, 100%)
Just Marketing International Limited (United Kingdom, 23.34%)	Kantar Media Intelligence Ltd (United Kingdom, 100%)
JWT - Music LLC (United States, 100%)	Kantar Media Kft (Hungary, 100%)
JWT (Netherlands) Holding BV (Netherlands, 99.2%)	Kantar Media Ltd (Israel, 85.5%)
JWT Adventure Co Ltd (Republic of Korea, 100%)	Kantar Media Research Group Limited (United Kingdom, 100%)
JWT Advertising & Marketing Co WLL (Kuwait, 67%)	Kantar Media S.A. (Spain, 100%)
JWT Budapest Marketing Szolgáltató KFT (Hungary, 100%)	Kantar Media sp. z o.o (Poland, 100%)
JWT Delvico SLU (Spain, 100%)	Kantar Media srl (Italy, 100%)
JWT Digital (Israel, 40%)	Kantar Media Switzerland AG (Switzerland, 100%)
JWT Entertainment Productions Limited (United Kingdom, 100%)	Kantar Media TGI Research Ltd (Israel, 85.5%)
JWT INTERNATIONAL REKLAM HİZMETLERİ LIMITED ŞİRKETİ (Turkey, 100%)	Kantar Media UK Ltd (United Kingdom, 100%) ¹
JWT Israel Ltd (Israel, 100%)	Kantar Millward Brown GmbH (Germany, 100%)
JWT Limited Liability (Syrian Arab Republic, 40.2%)	Kantar Millward Brown Hungary Kft. (Hungary, 100%)
JWT LLC (Ukraine, 100%)	Kantar Millward Brown SRL (Romania, 100%)
JWT México, S.R.L. de C.V. (Mexico, 100%)	Kantar Philippines, Inc. (Philippines, 100%)
JWT Mindset Advertising Private Limited (India, 60%)	Kantar Retail (Shanghai) Co., Ltd (China, 100%)
JWT Rotterdam (Netherlands, 59.52%)	Kantar Retail France SAS (France, 100%)
JWT S.A. (Argentina, 100%)	Kantar Retail UK Limited (United Kingdom, 100%)
JWT SA (Belgium, 70%)	Kantar Retail Virtual Reality Americas Inc. (United States, 100%)
JWT SAL (Offshore) (Lebanon, 67%)	Kantar Retail, LLC (United States, 100%)
JWT Shanghai Zhiao Marketing Services Co Ltd (China, 42.25%)	Kantar SAS (France, 100%)
JWT Specialized Communications, LLC (United States, 100%)	Kantar Shared Services GmbH & Co. (Germany, 100%)
JWT Uganda Limited (Uganda, 50.1%)	Kantar South Africa (Pty) Limited (South Africa, 81.02%)
JWT Warszawa Sp. z o.o (Poland, 100%)	Kantar Worldpanel Argentina S.A. (Argentina, 100%)
JWT Wien Werbeagentur Gesellschaft mbH (Austria, 100%)	Kantar Worldpanel Brasil Pesquisa de Mercado Ltda (Brazil, 100%)
JWTWO Productions LLC (merged into J. WALTER THOMPSON U.S.A., LLC) (United States, 100%)	Kantar Worldpanel Chile SpA (Chile, 100%)
Kantar (Cambodia) Limited (Cambodia, 100%)	Kantar Worldpanel Ecuador KANTARECSA S.A. (Ecuador, 100%)
Kantar Bangladesh Private Limited (Bangladesh, 100%)	Kantar Worldpanel Per S.A. (Bolivian Branch) (Bolivia, 100%)
Kantar Beteiligungs GmbH (Germany, 100%)	Kantar Worldpanel Perú S.A. (Peru, 100%)
Kantar Deutschland GmbH (Germany, 100%)	Kantar Worldpanel Venezuela C.A. (Venezuela, 100%)
KANTAR Germany GmbH (Germany, 100%)	Kantya Estrategias de Marca SL (Spain, 100%)
Kantar Health GmbH (Germany, 100%)	Karakaş Yatırımcı İlişkileri Ve İletişim Hizmetleri Anonim Şirketi (Turkey, 60%)
Kantar Health LLC (United States, 100%)	Karmel Pazarlama Hizmetleri ve Danışmanlık A.Ş. (Turkey, 60%)
Kantar Health s.r.o. (Czech Republic, 100%)	Kassius SA (France, 100%)
Kantar Health SAS (France, 100%)	KBBI Group Limited (United Kingdom, 97.17%)
Kantar Health Srl (Italy, 100%)	KBI Trustees Limited (United Kingdom, 97.17%)
Kantar Health, S.A.U. (Spain, 100%)	KBM GmbH (Germany, 100%)
Kantar Holding GmbH (Germany, 100%)	KBM Group Australia Pty Ltd (Australia, 61.5%)
KANTAR IBOPE Media Colombia S.A.S. (Colombia, 86.99%)	KBM Group Brasil Pesquisa e Análise de Dados Ltda. (Brazil, 100%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

KBM Group Deutschland GmbH (Germany, 100%)	Landor Associates Designers and Consultants Limited (China, 100%)
KBM Group LLC (United States, 100%)	Landor Associates Europe Ltd (United Kingdom, 100%)
KBM Group s.r.o. (Czech Republic, 100%)	Landor Associates GmbH (Germany, 100%)
Key Lead Limited (United Kingdom, 100%)	Landor Associates International Ltd. (United States, 100%)
Keyade Holding (France, 100%)	Landor Associates Pty Ltd (Australia, 61.5%) ¹
Keyade SAS (France, 100%)	Landor Associates SAS (France, 100%)
KGM Datadistribution AB (Sweden, 100%)	Landor Associates Srl (Italy, 100%)
Kinetic Advertising (Shanghai) Co. Ltd (China, 100%)	Landor Comunicação do Brasil Ltda (Brazil, 100%)
Kinetic Advertising India Private Limited (India, 84.4%)	Landor Ohio LLC (United States, 100%)
Kinetic Advertising Limited (Ireland) (Ireland, 51%)	Landor, LLC (United States, 100%)
Kinetic Belgium SA (Belgium, 100%)	Lanka Market Research Bureau (Private) Ltd (Sri Lanka, 100%)
Kinetic SAS (France, 100%)	Lansdowne Market Research Ltd (Ireland, 100%)
Kinetic Srl (Italy, 100%)	LatinPanel Perú S.A. Sucursal Colombia (Colombia, 100%)
Kinetic Worldwide (Thailand) Co Ltd (Thailand, 100%)	Lawrence Creative Strategy Pty Ltd (Australia, 61.5%) ¹
Kinetic Worldwide Germany GmbH (Germany, 100%)	LdB Ogilvy & Mather B.V. (Netherlands, 51%)
Kinetic Worldwide Group Limited (United Kingdom, 100%)	LDV United NV (Belgium, 100%)
Kinetic Worldwide Limited (United Kingdom, 100%)	Le Lab Consulting SAS (France, 100%)
Kinetic Worldwide Media Philippines Inc (Philippines, 100%)	Lee & Jang OgilvyOne Worldwide Co. Ltd (Republic of Korea, 70%)
Kinetic Worldwide Media Pte Ltd (Singapore, 100%)	Leicester Square Holding B.V. (Netherlands, 100%) ¹
Kinetic Worldwide Pty Ltd (Australia, 100%)	Lemon Sky Sp. z.o.o. S.K.A. (Poland, 100%)
Kinetic Worldwide Romania SRL (Romania, 100%)	Lemon Sky Spółka z.o.o. (Poland, 100%)
Kinetic Worldwide SA (Spain, 100%)	L'Équipe L'Oréal GmbH (Germany, 100%)
Kinetic Worldwide Sdn Bhd (Malaysia, 100%)	Les Ouvriers du Paradis United Babylone SAS (France, 100%)
Kinetic Worldwide Switzerland AG (Switzerland, 100%)	Les Ouvriers du Paradis United Bourgogne SAS (France, 99.98%)
Kingsway Media Services Limited (United Kingdom, 100%)	Lexington International B.V. (Netherlands, 100%) ^{1,5}
KiwiNaranja Holding B.V. (Netherlands, 100%)	LGM Little Green Men Srl (Italy, 100%)
KKCREATE, LLC (United States, 50%)	LGM s.r.o. (Czech Republic, 100%)
KKLD*GmbH (Germany, 80%)	Liaoning Ogilvy Jiasheng Advertising Co. Ltd (China, 60%)
Knight Banner Business Information Limited (United Kingdom, 97.17%)	Light Reaction Germany GmbH (Germany, 100%)
Knight-Banner Information Limited (United Kingdom, 97.17%) ¹	Lighthouse Global Network, Inc. (United States, 100%) ¹
Knots Europe BV (Netherlands, 24.32%)	Lighthouse Holdings (UK) Limited (United Kingdom, 100%)
Knowledge Based Marketing Company India LLP (India, 100%)	Lightspeed GMI Singapore Pte. Ltd. (Singapore, 100%)
Knowledgebase Marketing France (France, 100%)	Lightspeed Research Australia Pty Limited (Australia, 61.5%)
Kobel Kressare & Partners DIK Inc (United States, 24.32%)	Lightspeed Research B.V. (Netherlands, 100%)
Kobs & Draft Asia Sdn Bhd (Malaysia, 49%)	Lightspeed Research GmbH (Germany, 100%)
KR MEDIA France SAS (France, 94.26%)	Lightspeed Research HK Limited (Hong Kong, 100%)
KR Media UK Limited (United Kingdom, 100%)	Lightspeed Research Ltd (United Kingdom, 100%)
KSM B.V. (Netherlands, 100%)	Lightspeed, LLC (United States, 100%)
Kuvera E-commerce (Hong Kong) Limited (Hong Kong, 100%)	Lilypress Limited (United Kingdom, 97.17%)
Kyowa Kikau Co. Ltd (Japan, 24.32%)	Limited Liability Company Hogarth Worldwide (Russia, 63.72%)
La Comunidad, Interactive & Event Marketing BV (Netherlands, 100%)	Limon Internet ve Sosyal Medya Yönetim Hizmetleri Ltd (Turkey, 60%)
Label Mamac (Tunisia, 24%)	Line Exchange Limited (United Kingdom, 100%)
Labstore GmbH (Austria, 100%)	Linxsmart Technologies Private Limited (India, 99.75%)
Labstore Retail Company S.L. (Spain, 90%)	LiveWorld-WPP, L.L.C. (United States, 54.08%)
Labstore s.r.o. (Czech Republic, 100%)	LLC 'Alite' (Russia, 70%)
Lakewood Holdings Pty Ltd (Australia, 30.75%)	LLC Geometry Global (Russia, 100%)
Lambie-Nairn & Company Limited (United Kingdom, 100%)	LLC 'GroupM' (Russia, 100%)
Lambie-Nairn & Company Limited 193069 (Germany, 100%)	LLC 'GroupM Outdoor' (Russia, 100%)
Landor Associates Branding Consultants and Designers Worldwide (Switzerland) Sarl (Switzerland, 100%)	LLC GroupM TV (Russia, 100%)
Landor Associates Designers & Consultants Ltd (Hong Kong, 100%)	LLC 'JWT' (Russia, 100%)
Landor Associates Designers & Consultants Pte Ltd (Singapore, 100%)	LLC 'Mather Communications' (Russia, 100%)
	LLC 'Maximize' (Russia, 100%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

LLC 'Maxus' (Russia, 100%)	Marketing and Planning Systems LLC (United States, 100%)
LLC 'MC2' (Russia, 100%)	Marketing Blueprint Limited (United Kingdom, 100%)
LLC 'MEC' (Russia, 100%)	Marketing Communications Holdings Australia Pty Ltd (Australia, 61.5%)
LLC Mega Media (Russia, 100%)	Marketing Communications Korea Co., LTD. (Republic of Korea, 100%)
LLC METS (Russia, 100%)	Marketing Consultancy Limited (The) (United Kingdom, 100%)
LLC 'Mindshare' (Russia, 100%)	Marketing Direct LLC (United States, 100%)
LLC 'Ogilvy & Mather' (Russia, 100%)	Marketing Information Center (Russia, 100%)
LLC 'Ravi' (Russia, 100%)	Marketing Services Risk Surety Ltd (Bermuda, 100%)
LLC Reklama v Socialnykh Setyakh (Russia, 60%)	Marketingscan (France) SNC (France, 19.91%)
LLC Young & Rubicam FMS (Russia, 100%)	Marketique Interactive Marketing Services BV (Netherlands, 100%)
Lob Conseils SA (France, 76.52%)	Markitforce (Adelaide) Pty Ltd (Australia, 61.5%)
Logic Inc. (Japan, 100%)	Markitforce (Brisbane) Pty Ltd (Australia, 61.5%)
Longitude One LLC (Republic of Korea, 70%)	Markitforce (Melbourne) Pty Ltd (Australia, 61.5%)
Lorien Consulting Srl (Italy, 51%)	Markitforce (NZ) Ltd (New Zealand, 61.5%)
Lumiere Publicite SARL (France, 100%)	Markitforce (Perth) Pty Ltd (Australia, 61.5%)
Luxembourg Finance Gamma CV (Netherlands, 100%)	Markitforce Group Pty Ltd (Australia, 61.5%)
Luxembourg Finance Holdings Six C.V. (Netherlands, 100%)	Markitforce Pty Ltd (Australia, 61.5%)
M 101 Limited (United Kingdom, 100%)	Marktest - Marketing, Organização Formação Lda (Portugal, 35.2%)
M Media Group Pty Ltd (Australia, 61.5%)	Marktest Audimétrie - Medicao De Audiencias Televisivas, S.A. (Portugal, 40%)
M.S. Plus Ltd (Egypt, 63.5%)	Marktest Audimétrie - Medição de Audiencias Televisivas, S.A. (Portugal, 24%)
M/SIX SA (Belgium, 100%)	Marktest Investimentos SGPS S.A. (Portugal, 40%)
Mac-Mester Kft (Hungary, 100%)	Marktest.Com - Distribuição de informação, S.A. (Portugal, 40%)
Madhouse Mobile India Private Limited (India, 50%)	Marsteller Advertising Limited (United Kingdom, 100%)
Madrid Redes de Campo SA (Spain, 90%)	Maruri Digital Cia. Ltda. MARDIGITAL (Ecuador, 60%)
Magic Moments Agentur für Kommunikation GmbH (Germany, 100%)	Maruri Publicidad S.A. MARPUBLICIDAD (Ecuador, 60%)
Magic Poster GmbH (Germany, 100%)	Mass-Observation (UK) Limited (United Kingdom, 100%)
Magnet Interactive East, LLC (United States, 100%)	Mass-Observation Limited (United Kingdom, 100%)
Magnet Interactive Group, Inc. (United States, 100%)	Mather Communications Limited (United Kingdom, 100%)
Magnet Interactive West, LLC (United States, 100%)	Mather Communications LLC (Ukraine, 100%)
Man vs Machine Limited (United Kingdom, 51%)	Mather Communications Reklamugynokseg Kft (Hungary, 100%)
Manajans Thompson Reklam Isleri A.S. (Turkey, 100%)	Mather Communications SRL (Romania, 100%)
Mando Corporation Limited (United Kingdom, 100%)	Mather Direct GmbH (Germany, 100%)
Mando Services Limited (United Kingdom, 100%)	Matrix Publicities & Media India Pvt Ltd (India, 100%)
Manerel S.A. (Uruguay, 51%)	Maverick Marketing and Communications Pty Ltd (Australia, 49.2%)
Mannov A/S (Denmark, 50%)	Maximize Kft (Hungary, 25.5%)
Mannov AB (Sweden, 25%)	Maximize Srl (Italy, 100%)
Mannov Holding A/S (Denmark, 50%)	Maxus A/S (Norway, 100%)
ManvsMachine, Inc. (United States, 51%)	Maxus Argentina S.A. (Argentina, 100%)
Maquina de Noticia Comunicacao Ltda (Brazil, 75%)	Maxus B.V. (Netherlands, 100%)
Mareco Index Bosnia (Bosnia and Herzegovina, 33.17%)	Maxus Belgium SA (Belgium, 100%)
Maristela Mafei Participações S.A. (Brazil, 75%)	Maxus Canada Ltd (Canada, 100%)
Mark & Mini B.V. (Netherlands, 30%)	Maxus Commercial Communications SA (Greece, 73.2%)
MarkData Polska Sp. Z.O.O. (Poland, 40%)	Maxus Communications (UK) Limited (United Kingdom, 100%)
MarkData Television Information Systems Limited (United Kingdom, 40%)	Maxus Communications A/S (Denmark, 100%)
Market Action Co Ltd (Vietnam, 80%)	Maxus Communications AB (Sweden, 100%)
Market Behaviour Limited (United Kingdom, 100%)	Maxus Communications GmbH (Germany, 100%)
Market Research Bureau Group Limited (United Kingdom, 100%)	Maxus Communications Limited (Ireland, 81.77%)
Market Research Bureau Limited (United Kingdom, 100%)	Maxus Communications Limited (Hong Kong) (Hong Kong, 100%)
Market Research Bureaux Pakistan (Private) Limited (Pakistan, 85%)	Maxus Communications Limited (UK) (United Kingdom, 100%)
Marketdata Solutions Brasil Ltda (Brazil, 74.99%)	
Marketdatasolutions Global Consulting Sdn. Bhd. (Malaysia, 100%)	

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Maxus Communications LLC (United States, 100%)
 Maxus Communications Proprietary Limited (South Africa, 72.8%)
 MAXUS Czech Republic s.r.o. (Czech Republic, 100%)
 Maxus France SAS (France, 98.52%)
 Maxus Hungary Kft (Hungary, 100%)
 MAXUS MC2 Spa (Italy, 80%)
 MAXUS Media Communications GmbH (Austria, 100%)
 Maxus Media Operations SRL (Romania, 100%)
 Maxus Medya Hizmetleri Ticaret Limited Sirketi (Turkey, 100%)
 Maxus Oy (Finland, 100%)
 Maxus Portugal Lda (Portugal, 100%)
 Maxus Sp.z.o.o. (Poland, 100%)
 Maxus Spain SL (Spain, 100%)
 Maxus Srl (Italy, 100%)
 Maxus Switzerland AG (Switzerland, 100%)
 Maxus Warszawa Sp z.o.o (Poland, 100%)
 Maxx Marketing Europe Limited (United Kingdom, 51%)
 Maxx Marketing Inc. (United States, 51%)
 Maxx Marketing Ltd (Hong Kong, 51%)
 Maxx Marketing Pty Limited (Australia, 51%)
 Maxx Marketing, S.A. de C.V. (Mexico, 51.49%)
 Mayko Trading Pty Ltd (Australia, 44.59%)
 MBA Marketing Ltda (Brazil, 100%)
 McMann & Tate Agency Pty Ltd (trading as Mighty) (Australia, 61.5%)
 Mconnect Hungary Kft (Hungary, 100%)
 Mcsoport Magyarorszag KFT (Hungary, 100%)
 MDC srl (Italy, 100%)
 MDK Consultants (Thailand) Ltd (Thailand, 65.37%)
 MEC Africa Limited (Kenya, 50.1%)
 MEC Agentur für Mediaplanung GmbH (Austria, 100%)
 MEC Cairo LLC (Egypt, 100%)
 MEC Chile SpA (Chile, 100%)
 MEC Colombia SAS (Colombia, 100%)
 MEC Czech s.r.o. (Czech Republic, 100%)
 MEC Denmark A/S (Denmark, 100%)
 MEC Denmark Holding A/S (Denmark, 100%)
 MEC Finland Oy (Finland, 100%)
 MEC GmbH (Germany, 100%)
 MEC Hungary Médiaügynökség Kft (Hungary, 100%)
 MEC Interaction Hungary Kft (Hungary, 100%)
 MEC Interaction Worldwide SL (Spain, 100%)
 MEC Italia srl (Italy, 100%)
 MEC Jordan Limited (Jordan, 49%)
 MEC Medianetwork Hellas S.A. (Greece, 50%)
 MEC MENA FZ LLC (United Arab Emirates, 100%)
 MEC Publicidad Iberia SL (Spain, 100%)
 MEC Sarl (Lebanon) (Lebanon, 100%)
 MEC SAS (France, 100%)
 MEC Slovakia s.r.o. (Slovakia, 64.8%)
 MEC Sp.z.o.o (Poland, 100%)
 MEC Switzerland AG (Switzerland, 100%)
 MEC Ýtetiþim Planlama Hizmetleri Limited Þirketi (Turkey, 100%)
 Media 2000 Ltd (Virgin Islands, U.S., 20%)

Media Basics BV (Netherlands, 100%)
 Media Buying Africa Limited (Mauritius, 50.1%)
 Media Buying Services ULC (Canada, 100%)
 Media Club SpA (Italy, 100%)
 Media Compete East Africa Limited (Kenya, 50.1%)
 Media Consult WPP GmbH (Germany, 100%)
 Media Copy Service Limited (United Kingdom, 100%)
 Media Edge Israel Ltd (Israel, 100%)
 Media Evolution Technologies Inc (Canada, 100%)
 Media Initiative West Africa Limited (Nigeria, 31.75%)
 Media Innovation Group Holdings, LLC (United States, 100%)
 Media Innovation Group, LLC (United States, 100%)
 Media Insight - Tempo e Meios Publicitarios, Lda (Portugal, 100%)
 Media Insight Kft (Hungary, 50%)
 Media Insight LLC (Greece, 46.2%)
 Media Insight LLC (United Arab Emirates, 53.5%)
 Media Insight Outdoor Limited (United Kingdom, 100%)
 Media Insight S.A.R.L (Lebanon, 63.5%)
 Media Insight SNC (France, 100%)
 Media Insight Srl (Italy, 100%)
 Media Report Editorial Limited (United Kingdom, 97.17%)
 Media Research Chile S.A. (Chile, 98.91%)
 Media Research Consultancy Limited (The) (United Kingdom, 100%)
 Media Support Scandanavian AB (Sweden, 100%)
 Media.com Interactive AS (Norway, 100%)
 MediaBasics BV (Netherlands, 100%)
 Mediabroker A/S (Denmark, 100%)
 MediaCom – die Kommunikationsagentur GmbH (Austria, 80%)
 MediaCom - Warszawa Sp.z.o.o. (Poland, 100%)
 Mediacom (Media Planning and Buying) Ltd (Ireland, 100%)
 Mediacom (Thailand) Limited (Thailand, 100%)
 Mediacom AG (Switzerland, 100%)
 MediaCom Agentur für Media-Beratung GmbH (Germany, 100%)
 Mediacom Argentina S.A. (Argentina, 100%)
 MediaCom AS (Norway) (Norway, 100%)
 Mediacom Australia Pty Ltd (Australia, 61.5%)
 MediaCom B.V. (Netherlands, 100%)
 MediaCom Belgium SA (Belgium, 100%)
 MediaCom Bratislava s.r.o. (Slovakia, 100%)
 Mediacom Canada (Canada, 100%)
 Mediacom Canada ULC (Canada, 100%)
 Mediacom Central Europe Zagreb d.o.o. (Croatia, 100%)
 MediaCom Co. Ltd (Thailand, 99.94%)
 MediaCom Communication Services d.o.o. Beograd (Serbia, 100%)
 MEDIACOM COMMUNICATIONS LIMITED (Hong Kong, 100%)
 MediaCom Communications Pvt Ltd (India, 49%)
 MEDIACOM CONNECTIONS LTD (Israel, 51%)
 MediaCom Danmark A/S (Denmark, 100%)
 MediaCom Group Limited (United Kingdom, 100%)
 MediaCom Hamburg GmbH (Germany, 100%)
 MediaCom Holding Central and Eastern Europe GmbH (Germany, 100%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

MediaCom Holdings Limited (United Kingdom, 100%) ¹	Mediaedge:cia, LLC (Ukraine, 70%)
Mediacom Iberia SA (Spain, 100%)	Mediaedge:cia, LLC (United States, 100%)
MediaCom Istanbul Medya Hizmetleri A.S. (Turkey, 100%)	Mediafax Inc (Puerto Rico, 44.2%)
Mediacom Italia Srl (Italy, 100%)	MediaGen Limited (United Kingdom, 97.17%)
Mediacom Limited (Hong Kong, 100%)	Mediahead Communications Limited (United Kingdom, 100%)
Mediacom LLC (Russia) (Russia, 100%)	Medialets WW, LLC (United States, 100%)
Mediacom LLC (UAE) (United Arab Emirates, 78.1%)	MediaMonitor - Software e Informação para Comunicação Social (Portugal, 39.6%)
MediaCom Ltd (Greece, 100%)	MediaPLUS AS (Norway, 100%)
MediaCom Magyarország Kft (Hungary, 100%)	Mediascope JSC (Russia, 20%)
Mediacom Middle East & North Africa Holding W.L.L. (Bahrain, 78.1%)	Mediasur Agencia De Medios SA (Spain, 26.01%)
MediaCom München GmbH (Germany, 100%)	Mediatoimisto Happi Oy (Finland, 100%)
Mediacom North Limited (United Kingdom, 100%)	MediaWatch Limited (Ireland, 100%)
Mediacom Paris SA (France, 100%)	Medioply Limited (Jersey, 51.78%)
Mediacom Peru S.A. (Peru, 100%)	Meishav Hafakot Ltd (Israel, 100%)
MediaCom Praha s.r.o. (Czech Republic, 100%)	Mellors Reay & Partners Limited (United Kingdom, 100%) ⁴
MediaCom Romania Srl (Romania, 100%)	Memac Ogilvy & Mather Egypt LLC (Egypt, 60%)
MediaCom S.a.r.l. (Lebanon, 78.1%)	Memac Ogilvy & Mather Holding Inc (Panama, 60%)
MediaCom S.A.S (Colombia, 100%)	Memac Ogilvy & Mather LLC (United Arab Emirates, 60%)
MediaCom Scotland Limited (United Kingdom, 100%)	Memac Ogilvy & Mather LLC (Jordan) (Jordan, 30%)
MediaCom Taiwan Co. Ltd. (Taiwan Province of China, 22%)	Memac Ogilvy & Mather SAL (Lebanon, 60%)
MediaCom UK Limited (United Kingdom, 100%)	Memac Ogilvy & Mather WLL (Bahrain, 60%)
Mediacom Ukraine LLC (Ukraine, 100%)	MEMAC Ogilvy Algeria SARL (Algeria, 51%)
Mediacom Worldwide LLC (United States, 100%)	Memac Ogilvy Droubi (Syrian Arab Republic, 30.6%)
Mediacommunications Göteborg AB (Sweden, 89.9%)	Memac Ogilvy Inter-Regis (Holdings) SAL (Lebanon, 60%)
Mediacommunications Services Sverige AB (Sweden, 89.9%)	Memac Ogilvy Media S.A.R.L (Lebanon, 63.5%)
Mediacommunications Sverige I Stockholm AB (Sweden, 100%)	MERAC Arabia Co Ltd. (Saudi Arabia, 49%)
Mediacompete (Proprietary) Limited (South Africa, 83.27%)	Merchint Wireless Engineering (Pty) Limited (South Africa, 35%)
Mediacompete Pty Ltd (Australia, 61.5%)	metagate Berlin GmbH (Germany, 100%)
Mediacompete s.a.r.l. (Morocco, 78.1%)	Metavision Media, LLC (United States, 100%)
Mediacompete Sdn Bhd (Malaysia, 100%)	Metior B.V. (Netherlands, 100%)
Mediaedge:cia Morocco SARL (Morocco, 39.22%)	Metro Broadcast Limited (United Kingdom, 100%)
Mediaedge:CIA - Servicos Publicitarios Ltda (Portugal, 100%)	Metro Ecosse Limited (United Kingdom, 100%)
Mediaedge:cia (Proprietary) Limited (South Africa, 83.26%)	Metropolis Media Ideas (Pty) Ltd (South Africa, 28.93%)
Mediaedge:CIA (UK) Holdings Limited (United Kingdom, 100%)	Metropolitan Channel (Prop) Ltd (South Africa, 28.25%)
Mediaedge:cia Belgium SA (Belgium, 100%)	Metropolitan Republic (South Africa) Brand Engagement Corporation (Proprietary) Limited (South Africa, 36.26%)
Mediaedge:cia BV (Netherlands, 100%)	MetropolitanRepublic Intergrated Communications (JBH) (PTY) Limited (South Africa, 27.95%)
Mediaedge:CIA Finland OY (Finland, 100%)	METS Czech s.r.o. (Czech Republic, 100%)
Mediaedge:CIA Hong Kong Pte Limited (Hong Kong, 100%)	METS Hungary Kft (Hungary, 100%)
Mediaedge:cia India Pvt Ltd (India, 100%)	METS Slovakia s.r.o. (Slovakia, 64.8%)
Mediaedge:cia International Investments Limited (United Kingdom, 100%)	METS Sp. z o.o. (Poland, 100%)
Mediaedge:cia International Limited (United Kingdom, 100%) ¹	MIA Mauritius Limited (Mauritius, 50.1%)
Mediaedge:cia Ireland Limited (Ireland, 51%)	Michael Vagedes GmbH (Germany, 100%)
Mediaedge:cia Malaysia Sdn Bhd (Malaysia, 100%) ²	Midas Media Limited (China, 50%)
Mediaedge:cia Mediterranea SA (Spain, 49%)	Mídia 123 Serviços de Publicidade Via Internet Ltda. (Brazil, 80%)
Mediaedge:cia Nordic AB (Sweden, 100%)	Milburn Finance Limited (United Kingdom, 100%)
Mediaedge:CIA Norway AS (Norway, 100%)	Millward Brown ACSR Co. Ltd (China, 95%)
Mediaedge:CIA Pty Ltd (Australia, 61.5%)	Millward Brown ARMI-Marketing LLC (Russia, 70%)
Mediaedge:cia Romania Srl (Romania, 100%)	Millward Brown ARMI-Marketing Ukraine, LLC (Ukraine, 70%)
Mediaedge:cia Sweden AB (Sweden, 100%)	Millward Brown Canada, Inc (Canada, 100%)
Mediaedge:cia Taiwan Ltd (Taiwan Province of China, 100%)	Millward Brown Chile SpA (Chile, 100%)
Mediaedge:cia UK Investments Limited (United Kingdom, 100%)	Millward Brown Colombia S.A.S. (Colombia, 100%)
Mediaedge:CIA UK Limited (United Kingdom, 100%) ¹	Millward Brown Czech Republic s.r.o. (Czech Republic, 100%)
Mediaedge:CIA Worldwide Limited (United Kingdom, 100%)	

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Millward Brown Denmark ApS (Denmark, 82.5%)	MindShare de Colombia Ltda (Colombia, 100%)
Millward Brown do Brasil Ltda (Brazil, 75%)	MindShare de México, S.A. de C.V. (Mexico, 100%)
Millward Brown East Africa Ltd (Kenya, 50.1%)	Mindshare del Ecuador C. Ltda (Ecuador, 44%)
Millward Brown Egypt LLC (Egypt, 100%)	Mindshare Egypt LLC (Egypt, 63.37%)
Millward Brown Firefly Ltd (Thailand, 100%) ¹	Mindshare Entertainment USA, LLC (United States, 100%)
Millward Brown Ireland Ltd (Ireland, 100%)	Mindshare For Advertising and Promotion Company L.L.C (Saudi Arabia, 63.5%)
Millward Brown Irish Marketing Surveys Ltd (Ireland, 100%)	Mindshare Ghana Ltd (Ghana, 85.26%)
Millward Brown Limited (Hong Kong, 100%)	MindShare GmbH (Germany, 100%)
Millward Brown Ltd, Taiwan Branch of HK co (Taiwan Province of China, 100%)	MindShare GmbH & Co KG (Austria, 100%)
Millward Brown Malaysia Sdn Bhd (Malaysia, 100%)	MindShare Hong Kong Limited (Hong Kong, 100%)
Millward Brown Market Research Limited (United Kingdom, 100%)	Mindshare II - Meios Publicitarios Lda (Portugal, 100%)
Millward Brown Market Research Services India Private Ltd (India, 100%)	MindShare Kenya Limited (Kenya, 50.01%)
Millward Brown Mauritius Limited (Mauritius, 50.1%)	Mindshare Lebanon SAL (Lebanon, 63.5%)
Millward Brown México, S.A. de C.V. (Mexico, 100%)	MindShare Limited (Ireland, 64.35%)
Millward Brown Myanmar Co Ltd (Myanmar, 100%)	Mindshare LLC (Ukraine, 70%)
Millward Brown Nigeria Limited (Nigeria, 50.1%)	Mindshare Media Ireland Limited (Ireland, 64.35%)
Millward Brown No.2337 Limited (United Kingdom, 100%)	MindShare Media Srl (Romania, 100%)
Millward Brown NZ Ltd (New Zealand, 61.5%)	Mindshare Media UK Limited (United Kingdom, 100%)
Millward Brown Pazar Arastirmalari Ticaret Limited Sti (Turkey, 100%)	Mindshare Media Worldwide Limited (United Kingdom, 100%)
Millward Brown Perú S.R.L. (Peru, 100%)	MindShare Mediaugynokseg Kft (Hungary, 50%)
Millward Brown Precis Limited (United Kingdom, 100%)	Mindshare Medya Hizmetleri A.S. (Turkey, 100%)
Millward Brown Pty Ltd (Australia, 61.5%)	Mindshare Middle East & North Africa (MENA) E.C. (Bahrain, 63.5%)
Millward Brown Research International SA (Greece, 100%)	Mindshare Middle East and North Africa Jordan LLC (Jordan, 63.5%)
Millward Brown S.A. (Poland, 100%)	Mindshare Morocco SARL (Morocco, 63.5%)
Millward Brown SAS (France, 100%)	Mindshare Norway AS (Norway, 100%)
Millward Brown Servicios SA de CV (Mexico, 100%)	Mindshare Pakistan (Pvt) Ltd (Pakistan, 50%)
Millward Brown Spain SAU (Spain, 100%)	MindShare Perú S.Á.C. (Peru, 85%)
Millward Brown Srl (Italy) (Italy, 100%)	MindShare Polska Sp. z o.o. (Poland, 100%)
Millward Brown UK Limited (United Kingdom, 100%)	MindShare s.r.o. (Czech Republic, 100%)
Millward Brown Ulster Limited (United Kingdom, 100%)	Mindshare SA (Belgium) (Belgium, 100%)
Millward Brown Vermeer Pte. Ltd. (Singapore, 100%)	MindShare SA (Greece) (Greece, 49.95%)
Millward Brown Vietnam Company Limited (Vietnam, 75%)	Mindshare Slovakia s.r.o. (Slovakia, 100%)
Millward Brown West Africa Limited (Ghana, 50.1%)	Mindshare SNC (France, 100%)
Millward Brown/Centrum BV (Netherlands, 100%)	Mindshare South Africa (Cape) (Proprietary) Limited (South Africa, 78.7%)
Milton Marketing Group Limited (United Kingdom, 100%)	Mindshare South Africa (Gauteng) (Proprietary) Limited (South Africa, 78.7%)
Milton Marketing Limited (United Kingdom, 100%)	MindShare South Africa (Proprietary) Limited (South Africa, 78.7%)
Mind Over Media Limited (United Kingdom, 100%)	Mindshare SpA (Italy, 100%)
Mind Resource Ogilvy Limited (Hong Kong, 70%)	Mindshare Spain SA (Spain, 100%)
Mind Share Finland Oy (Finland, 100%)	Mindshare Sweden AB (Sweden, 100%)
Mindcookies Company Ltd (Thailand, 61.5%)	Mindshare Tunisia S.A.R.L (Tunisia, 63.5%)
MindShare - Planeamento e Compra de Tempo e Meios Publicitarios ACE (Portugal, 100%)	Mindshare USA, LLC (United States, 100%)
Mindshare A/S (Denmark, 100%)	Mindshare W.L.L. (Kuwait, 63.5%)
Mindshare Advertising LLC (United Arab Emirates, 63.5%)	MindShare, C.A. (Venezuela, 100%)
MindShare AG (Switzerland, 100%)	Miniato B.V. (Netherlands, 100%)
MindShare AL Bahrain WLL (Bahrain, 63.5%)	Minteraction Company Ltd (Thailand, 75%)
Mindshare Algeria S.A.R.L. (Algeria, 63.5%)	Mirum (Thailand) Company Limited (Thailand, 80%)
MindShare Argentina S.A. (Argentina, 100%)	Mirum Agency AB (Sweden, 60%)
MindShare B.V. (Netherlands, 100%)	Mirum Agency GmbH (Germany, 60%)
MindShare Cambodia Ltd. (Cambodia, 100%)	Mirum Agency London Limited (United Kingdom, 80%)
MindShare Canada (Canada, 100%)	Mirum Agency Oy (Finland, 80%)
MindShare Communications Limited (Hong Kong, 100%)	

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Mirum Digital do Brasil Ltda (Brazil, 100%)	Netking (1999) Ltd (Israel, 80%)
Mirum LLC (United States, 100%)	New Click Produção e Comunicação Ltda. (Brazil, 90%)
Mirum, S.A. de C.V. (Mexico, 100%)	New Dialogue Pty Ltd (trading as Tongue) (Australia, 61.5%)
MJM Creative Services, Inc. (United States, 100%)	New Studio Publicacoes Ltda (Brazil, 74.25%)
MKTI, S.A. (Argentina, 80%)	New York Communications Center Associates L.P. (United States, 20.59%)
MMI Ukraine Ltd (Ukraine, 51%)	Newcomm Holdings Ltda (Brazil, 90%)
Mobilink İletişim Hizmetleri Ticaret Limited Sirketi (Turkey, 80%)	Newcrosse Limited (United Kingdom, 100%) ¹
Modern International (China, 30%)	Newdesign Participações Ltda (Brazil, 90%)
Module Communications Group Limited (United Kingdom, 100%)	Newgency Pty Ltd (Australia, 20.59%)
Molecule Consultancy A/S (Denmark, 37.5%)	Nexthealth Srl (Italy, 100%)
Momentum Ogilvy & Mather SA (Peru, 70%)	NFO ASIA-PACIFIC LIMITED (Hong Kong, 100%)
Monday People Co., Ltd. (Thailand, 73.3%)	NFO Asia-Pacific, Inc. (United States, 100%)
mOne Limited (United Kingdom, 100%)	NFO Infratest SL (Spain, 100%)
Moon Communications Group Pty Ltd (Australia, 61.5%)	NFO WorldGroup (Moroc S.a.r.l. (Morocco, 100%)
Moon Design Pty Ltd (Australia, 20.59%)	NFO Worldgroup N.Z. Holdings Ltd (New Zealand, 61.5%)
Moonraid Limited (United Kingdom, 100%)	NFO Worldwide Limited (United Kingdom, 100%)
Mortimer Square Limited (United Kingdom, 100%) ¹	Nicole Weber Communications GmbH (Germany, 60%)
Motivator Media Pty Ltd (Australia, 61.5%)	Nielsen IBOPE Mexico, S.A. de C.V. (Mexico, 46.33%)
Movent, Inc (Philippines, 70%)	Nihon Bungeisha Co. Ltd (Japan, 21.98%)
Movielab SA (Greece, 66.4%)	Nipo Software B.V. (Netherlands, 100%)
MQI Brno spol. s.r.o. (Czech Republic, 51%)	Nodilo Limited (Cyprus, 100%)
MR John Sample SL (Spain, 35.7%)	Non Theatrical Digital Partners Ltd (United Kingdom, 49%)
MRB Bangladesh Pvt Limited (Bangladesh, 99.6%)	Nordic Retails Group A/S (Denmark, 100%)
MRB Group Limited (United Kingdom, 100%)	Norlop Thompson Asociados SA (Ecuador, 20%)
MRB Hellas Market Research Bureau SA (Greece, 44%)	Norsk Gallup Institute AS (Norway, 100%)
MRB International Limited (United Kingdom, 100%)	Nota Bene Media Planning Agency (Proprietary) Limited (South Africa, 83.26%)
MRB Research Group Limited (United Kingdom, 100%)	NotNorm Pty Ltd (South Africa, 74.2%)
MRB Research Limited (United Kingdom, 100%)	Novadir - Estudos de Mercado e Consultadoria de Marketing, Lda. (Portugal, 25%)
MRC Holdco, Inc. (United States, 100%)	NParío, Inc. (United States, 21.9%) ²
Mservices offshore SAL (Lebanon, 63.5%)	Number 42 AS (Norway, 100%)
MSIX Communications Limited (United Kingdom, 49.9%)	Nylon Marketing Communications Limited (United Kingdom, 100%)
mSIX Communications, LLC (United States, 50%)	O&M Europe Limited (United Kingdom, 100%)
MSL ACCESSIBILITY Kft. (Hungary, 50%)	O&M Namibia (Namibia, 48.97%)
Muholos B.V. (Netherlands, 50%)	Ocean Cameroon (Cameroon, 24.48%)
Musharaket AlRai (Iraq, 63.5%)	Ocean Senegal & Conseil SA (Cote d'Ivoire, 24.48%)
Mutato Entretenimento, Conteúdo, Publicidade e Serviços Ltda (Brazil, 51%)	Octane Digital, Inc. (United States, 100%)
Mystery Shopper México, S.A. de C.V. (Mexico, 51%)	Octopus Holdings No 1 Pty Ltd (Australia, 61.5%)
N2 Helsinki Oy (Finland, 20%)	Ogilvy & Mather (China) Holdings Limited (Hong Kong, 100%)
N2 Marketing Oy (Finland, 20%)	Ogilvy & Mather (China) Limited (Hong Kong, 100%)
Nanjing Yindu Ogilvy Advertising Co. Ltd (China, 49%)	Ogilvy & Mather (Eastern Africa) Limited (Kenya, 50.1%)
Native Limited (United Kingdom, 63.72%)	Ogilvy & Mather (Hong Kong) Private Limited (Hong Kong, 100%)
Native VML (Pty) Limited (South Africa, 59.37%)	Ogilvy & Mather (Japan) GK (Japan, 100%)
NB Agency Asia Holding Limited (Hong Kong, 70%)	Ogilvy & Mather (Philippines), Inc. (Philippines, 60.67%)
NBTC-NIPO Research B.V. (Netherlands, 50%)	Ogilvy & Mather (Singapore) Private Ltd (Singapore, 100%)
Nectar Acquisition LLC (United States, 100%)	Ogilvy & Mather (Sydney) Pty Ltd (Australia, 61.5%) ¹
NeedScope International Limited (New Zealand, 75%) ¹	Ogilvy & Mather (Taiwan) Co Ltd (Taiwan Province of China, 70%)
Neo Ogilvy SA (Spain, 100%)	Ogilvy & Mather Advertising SRL (Romania, 100%)
Neo Shobo Co. Ltd (Japan, 22.64%)	Ogilvy & Mather Africa B.V. (Netherlands, 50.1%)
Neo@ogilvy (China, 70%)	Ogilvy & Mather AG (Switzerland, 100%)
NEO@Ogilvy Czech s.r.o. (Czech Republic, 80%)	Ogilvy & Mather Andina C.A. (Venezuela, 100%)
Neo@Ogilvy GmbH (Germany, 100%)	
Neo@Ogilvy KK (Japan, 51%)	
neo@Ogilvy LLC (United States, 100%)	
Neo@Ogilvy Pty Ltd (Australia, 61.5%)	

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Ogilvy & Mather Argentina S.A. (Argentina, 100%)	Ogilvy Action Incorporated (Philippines, 51%)
Ogilvy & Mather Brasil Comunicação Ltda (Brazil, 100%)	Ogilvy Adams & Rinehart Limited (United Kingdom, 100%)
Ogilvy & Mather Chile SpA (Chile, 100%)	Ogilvy Advertising Ltd (United Kingdom, 100%)
Ogilvy & Mather Colombia S.A.S. (Colombia, 100%)	Ogilvy Africa Ltd (Kenya, 50.1%)
Ogilvy & Mather Communications Private Limited (Bangladesh, 70%)	Ogilvy Africa Media Limited (Kenya, 50.1%)
Ogilvy & Mather Dataconsult Limited (United Kingdom, 100%)	Ogilvy And Mather Advertising Limited (United Kingdom, 100%)
Ogilvy & Mather Design, Unipessoal Lda (Portugal, 100%)	Ogilvy and Mather Reklamcilik A.S. (Turkey, 100%)
Ogilvy & Mather Direct Limited (United Kingdom, 100%)	Ogilvy and Mather South Africa (Pty) Ltd (South Africa, 53.73%)
Ogilvy & Mather Düsseldorf GmbH (Germany, 100%)	Ogilvy Cape Town (Proprietary) Limited (South Africa, 53.73%)
Ogilvy & Mather Europe Limited (United Kingdom, 100%)	Ogilvy CID s.r.o. (Czech Republic, 100%)
Ogilvy & Mather Germany GmbH (Germany, 100%)	Ogilvy CommonHealth Market Access, LLC (United States, 100%)
Ogilvy & Mather Gesellschaft m.b.H. (Austria, 100%)	Ogilvy Commonhealth Pty Ltd (Australia, 61.5%)
Ogilvy & Mather Group (Holdings) Limited (United Kingdom, 100%) ¹	Ogilvy CommonHealth SL (Spain, 100%)
Ogilvy & Mather Group Limited (Ireland, 100%)	Ogilvy CommonHealth Worldwide LLC (United States, 100%)
Ogilvy & Mather Korea LLC (Republic of Korea, 100%)	Ogilvy CommonHealth, Inc (Republic of Korea, 100%)
Ogilvy & Mather Limited (Ireland, 100%)	Ogilvy Danmark A/S (Denmark, 100%)
Ogilvy & Mather Management Services (United Kingdom, 100%)	Ogilvy Durban (Proprietary) Limited (South Africa, 47.2%)
Ogilvy & Mather Marketing Communications Limited (Hong Kong, 100%) ¹	Ogilvy Fashion and Lifestyle Co. Limited (China, 60%)
Ogilvy & Mather Marketing Services Limited (Hong Kong, 100%)	Ogilvy Ghana Limited (Ghana, 40.8%)
Ogilvy & Mather Media Services GmbH (Austria, 100%)	Ogilvy Groep (Nederland) B.V. (Netherlands, 100%)
Ogilvy & Mather Media Services GmbH & Co KG (Austria, 100%)	Ogilvy Group Ltd (Ukraine, 100%)
Ogilvy & Mather Morava spol. s r.o. (Czech Republic, 80%)	Ogilvy Group SA (Belgium, 100%)
Ogilvy & Mather Oy (Finland, 33%)	Ogilvy Group Zrt (Hungary, 100%)
Ogilvy & Mather Pakistan (Private) Limited (Pakistan, 50%)	Ogilvy Health Limited (Hong Kong, 100%)
Ogilvy & Mather Portugal - Publicidade, Unipessoal, Lda (Portugal, 100%)	Ogilvy Healthworld Barcelona SA (Spain, 100%)
Ogilvy & Mather Portugal Directo Servicos S.A. (Portugal, 100%)	Ogilvy Healthworld Europe Limited (United Kingdom, 100%)
Ogilvy & Mather Public Relations Limited (United Kingdom, 100%)	Ogilvy Healthworld SAS (France, 100%)
Ogilvy & Mather Publicidad Barcelona S.A. (Spain, 100%)	Ogilvy Healthworld South Africa (Proprietary) Limited (South Africa, 53.73%)
Ogilvy & Mather Publicidad Madrid S.A. (Spain, 100%)	Ogilvy Healthworld Srl (Italy, 100%)
Ogilvy & Mather Pvt Ltd (India, 74%)	Ogilvy Healthworld UK Ltd (United Kingdom, 100%) ³
Ogilvy & Mather S.A.S (France, 100%)	Ogilvy Healthworld, LLC (United States, 100%)
Ogilvy & Mather SA (Mexico, 100%)	Ogilvy Interactive Pty Ltd (Australia, 61.5%)
Ogilvy & Mather Sp.z.o.o. (Poland, 100%)	Ogilvy Interactive SA (Portugal) (Portugal, 100%)
Ogilvy & Mather SpA (Italy, 100%)	Ogilvy Interactive SA (Spain) (Spain, 97.5%)
Ogilvy & Mather spol. s r.o. (Czech Republic, 100%)	Ogilvy Interactive Srl (Italy, 100%)
Ogilvy & Mather Strategy 1 Limited (Ireland, 100%)	Ogilvy Johannesburg (Proprietary) Limited (South Africa, 53.73%)
Ogilvy & Mather Strategy 2 Limited (Ireland, 100%)	Ogilvy Kenya Limited (Kenya, 50.1%)
Ogilvy & Mather Venture Company, Limited (United States, 100%)	Ogilvy Mauritius Holdings Ltd (Mauritius, 50.1%)
Ogilvy & Mather Vietnam Ltd (Vietnam, 100%)	Ogilvy Montreal Inc. Ogilvy Montréal Inc. (Federal, 49%)
Ogilvy & Mather Werbeagentur GmbH (Germany, 100%)	Ogilvy Neo South Africa (Pty) Ltd (South Africa, 53.73%)
Ogilvy & Mather Worldwide, LLC (United States, 100%)	Ogilvy New Zealand Limited (New Zealand, 52.28%)
Ogilvy & Mather Zambia Limited (Zambia, 35.07%)	Ogilvy One A.S. (Czech Republic, 75%)
Ogilvy (Fujian) Advertising Co. Ltd (China, 51%)	Ogilvy One Sp. z.o.o. (Poland, 100%)
Ogilvy 4D Limited (United Kingdom, 100%)	Ogilvy One Worldwide Limited (Ireland, 100%)
Ogilvy Action (Cambodia) Ltd. (Cambodia, 100%)	Ogilvy PR Halkla İlişkiler ve İletişim A.S. (Turkey, 100%)
Ogilvy Action (Pty) Ltd (South Africa, 53.73%)	Ogilvy PR Health Pty Ltd (Australia, 61.5%)
Ogilvy Action (Pvt) Ltd (Sri Lanka, 55.5%)	Ogilvy PR Sp. z o.o. (Poland, 100%)
Ogilvy Action 2012 Pty Ltd (Australia, 31.37%)	Ogilvy Primary Contact Limited (United Kingdom, 86.3%) ³
Ogilvy Action Advertising Co., Ltd (China, 50%)	Ogilvy Public Relations GmbH (Germany, 74.8%)
	Ogilvy Public Relations Limited (Kenya, 50.1%)
	Ogilvy Public Relations S.L. (Spain, 91%)
	Ogilvy Public Relations s.r.o. (Czech Republic, 85%)
	Ogilvy Public Relations SAS (France, 100%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Ogilvy Public Relations Worldwide (Japan) KK (Japan, 100%)	OKEGO Kft (Hungary, 70%)
Ogilvy Public Relations Worldwide (Proprietary) Limited (South Africa, 53.73%)	ONCALL LLC (United States, 84.5%)
Ogilvy Public Relations Worldwide Co Ltd (Taiwan Province of China, 95%)	One Four One (Malaysia) Sdn Bhd (Malaysia, 49%)
Ogilvy Public Relations Worldwide Inc. (United States, 100%)	One Four One Limited (Myanmar, 100%)
Ogilvy Public Relations Worldwide Limited (Hong Kong) (Hong Kong, 100%)	One Four One, Inc. (Philippines, 100%)
Ogilvy Public Relations Worldwide Limited (Thailand) (Thailand, 100%)	ONE20 Pty Ltd (Australia, 61.5%)
Ogilvy Public Relations Worldwide Limited (UK) (United Kingdom, 100%) ¹	Ooh!Media Produce Pty Limited (Australia, 20%)
Ogilvy Public Relations Worldwide Pty Ltd (Australia, 61.5%)	Optima India Private Ltd (India, 51%)
Ogilvy Public Relations Worldwide Sdn Bhd (Malaysia, 100%)	Optimum Media (Proprietary) Limited (South Africa, 78.7%)
Ogilvy Public Relations, Unipessoal, Lda (Portugal, 100%)	Options Communications India Pvt Ltd (India, 100%)
Ogilvy Publicidade Ltda (Brazil, 100%)	Optitech Limited (United Kingdom, 100%)
Ogilvy Raynet Communications Co Ltd (China, 60%)	Orange Juice Design (Gauteng) (Proprietary) Limited (South Africa, 53.73%)
Ogilvy Red Consulting Pty Ltd (Australia, 61.5%)	Orange Juice Design (Proprietary) Limited (South Africa, 43.66%)
Ogilvy Red Force Technology Development Co. Ltd (China, 49%)	OSCAR Service GmbH (Germany, 100%)
Ogilvy sh.p.k (Albania, 20.8%)	Outdoor Connection Limited (United Kingdom, 100%)
Ogilvy Tanzania Limited (Tanzania, 50.1%)	Outdoor Focus Limited (United Kingdom, 100%)
OgilvyAction Pazarlama İletişim Hizmetleri A.Ş. (Turkey, 100%)	Outdoor MediaCom Limited (United Kingdom, 100%)
OgilvyAction Pty Ltd (Australia, 61.5%)	Outrider A/S (Denmark, 100%)
OgilvyAction Quebec Ltd./OgilvyAction Quebec Ltée (Federal, 100%)	Outrider Australia Pty Ltd (Australia, 61.5%)
OgilvyFinance AG (Germany, 100%)	Outrider Limited (United Kingdom, 100%)
Ogilvyinteractive Limited (United Kingdom, 100%)	Outrider Search Marketing - Consultoria e Serviços Web Lda (Portugal, 75%)
OgilvyInteractive Worldwide (Proprietary) Limited (South Africa, 48.36%)	Outrider SL Unipersona (Spain, 100%)
OgilvyOne Advertising SRL (Romania, 100%)	Outside The Box Communications Limited (United Kingdom, 100%)
OgilvyOne AG (Switzerland, 100%)	Ovideo Lisboa SA (Portugal, 40%)
OgilvyOne Brasil Comunicação Ltda (Brazil, 100%)	Owl Group Holdings, LLC (United States, 100%)
OgilvyOne Business Limited (United Kingdom, 86.54%)	Oxygen Learning Pty Ltd (trading as Phuel) (Australia, 61.5%)
OgilvyOne Dataservices Limited (United Kingdom, 100%)	Oy Hel Toy Ltd (Finland, 33.3%)
OgilvyOne Düsseldorf GmbH (Germany, 100%)	P R Dynamics Limited (New Zealand, 52.28%)
OgilvyOne GmbH (Germany, 100%)	P.O.A. Holdings Limited (United Kingdom, 100%)
OgilvyOne Limited (United Kingdom, 100%)	P.T. Taylor Nelson Sofres Indonesia (Indonesia, 100%)
OgilvyOne Management Services (United Kingdom, 100%)	P.T. Trans National Surveys Indonesia (Indonesia, 95%)
OgilvyOne Middle East Co LLC (United Arab Emirates, 60%)	P2All Serviços Temporários Ltda (Brazil, 50.99%)
OgilvyOne SA (Mexico, 100%)	Pace Communications Group, Inc. (United States, 100%)
OgilvyOne Teleservices Limited (United Kingdom, 100%)	Palisades Media Ventures LLC (United States, 50.1%)
OgilvyOne Vietnam Company Limited (Vietnam, 77.2%)	PANGALATIK MEDIA KFT. (Hungary, 100%)
OgilvyOne Worldwide (Taiwan) Co Ltd (Taiwan Province of China, 95%)	Paragon Communications Sdn Bhd (Malaysia, 32.66%)
OgilvyOne Worldwide Cape Town (Proprietary) Limited (South Africa, 53.73%)	Parker & Partners Pty Ltd (Australia, 61.5%)
OgilvyOne Worldwide Hong Kong Limited (Hong Kong, 100%)	Parson Brasil Comunicação Ltda (Brazil, 60%)
OgilvyOne Worldwide Johannesburg (Proprietary) Limited (South Africa, 53.73%)	Parson Latinoamérica S.A (Argentina, 60%)
OgilvyOne Worldwide Limited (Thailand) (Thailand, 100%)	Partners (Design Consultants) Limited (The) (United Kingdom, 100%)
OgilvyOne Worldwide Limited (UK) (United Kingdom, 100%)	Partners, Ogilvy & Mather, S.R.L., Mercadeo Integrado (Dominican Republic, 25%)
OgilvyOne Worldwide SA (Spain, 95.32%)	Partnership SPV 1 Limited (United Kingdom, 100%)
OgilvyOne Worldwide SAS (France, 100%)	PATH GmbH (Germany, 100%)
OgilvyOne Worldwide Sdn Bhd (Malaysia, 84.8%)	Peach Advertising Pty Ltd (Australia, 61.5%)
OgilvyOne Worldwide SpA (Italy, 100%)	Peclers Paris North America, Inc. (United States, 100%)
Okam Limited (United Kingdom, 100%)	Peclers Paris SAS (France, 100%)
	Penn, Schoen & Berland Associates, LLC (United States, 100%)
	Penny Black Media LLC (United States, 100%)
	Pennywise Solutions Private Limited (India, 50.5%)
	Performance SportEnt Worldwide GmbH (Germany, 100%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Permanent Organisation (United Kingdom, 100%)	Potato London Ltd (United Kingdom, 75.3%)
Permanent Organisation Two (United Kingdom, 100%)	Potato, Inc. (United States, 100%)
PERQ/HCI, LLC (United States, 100%)	Power Response Advertising Limited (Thailand, 100%)
Pesaka Grey Sdn Bhd (Malaysia, 30%)	PowerForce (Shanghai) Marketing Services Co Ltd (China, 65%)
Phase Five Communications LLC (United States, 100%)	PPI Kinetic Kft (Hungary, 50%)
Phase V Communications Limited (United Kingdom, 100%)	PPR Comunicaciones de Mexico S.A. (Mexico, 100%)
Philline International Holdings Corp (Philippines, 40%)	PPR Professional Public Relations Worldwide GmbH (Germany, 100%)
Phoenix O&M (Pvt.) Ltd. (Sri Lanka, 55.5%)	PPR South Asia Private Limited (India, 100%)
Picnic Software Pty Ltd (Australia, 55.35%)	PQ PLAKATQUALITÄT Agentur für Außenwerbung GmbH (Germany, 100%)
Pierre Nadeau Direct Inc (Canada, 49%)	PR Dynamics Australia Pty Ltd (Australia, 61.5%)
Piler Limited (United Kingdom, 100%)	Pragmatica Pty Ltd (trading as Tribe) (Australia, 61.5%)
Piranhakid Communications Limited (United Kingdom, 100%)	Prap Japan Inc. (Japan, 20%)
Pivotal Event Organisation Ltd (Indonesia, 61.5%)	Precis (567) Limited (United Kingdom, 100%) ¹
Pivotal Marketing Co Ltd (Indonesia, 61.5%)	Precis Limited (United Kingdom, 100%)
Pivotal Marketing Vietnam Ltd (Vietnam, 61.5%)	Precise Media Acquisitions Limited (United Kingdom, 97.17%)
Planorama Brasil Ltda (Brazil, 31.18%)	Precise Media Group Holdings Limited (United Kingdom, 100%)
Planorama Europe Kft (Hungary, 31.18%)	Precise Media Monitoring Limited (United Kingdom, 100%)
Planorama North America, LLC (United States, 31.18%)	Precise Media US, LLC (United States, 100%)
Planorama PTY (Singapore) (Singapore, 31.18%)	Predictys SAS (France, 70%)
Plasenta Reklam Hizmetleri Sanayi Ve Ticaret Anonim Sirketi (Turkey, 60%)	Preferred Professionals Inc. (United States, 100%)
Platform 5 Technologies Proprietary Limited (South Africa, 51%)	Premier Automotive Advertising Pty Ltd (Australia, 61.5%)
Play Communications Pty Ltd (Australia, 46.13%)	Premiere Consultants Limited (United Kingdom, 100%) ¹
Plein Papier SARL (France, 100%)	Premiere Group Holdings Limited (United Kingdom, 100%)
plista GmbH (Germany, 100%)	Premiere Sponsorship Marketing Limited (United Kingdom, 100%)
PM Comunicação Ltda (Brazil, 56.07%)	Press Select Limited (United Kingdom, 97.17%)
Pohjoisranta Burson-Marsteller Oy (Finland, 51.06%)	Pride and Glory Huge Idea sp. z o.o. S.K.A. (Poland, 49%)
Pointblank Productions Limited (United Kingdom, 80%)	Prime Policy Group, LLC (United States, 100%)
Polaris Advertising FZ- LLC (United Arab Emirates, 48%)	Primeads International Limited (United Kingdom, 100%)
Polaris Advertising LLC (United Arab Emirates, 23.52%)	PRISM INTERNATIONAL GmbH (Germany, 100%)
Polskie Badania Outdooru Sp. z o.o (Poland, 20%)	Prism Team Australia Pty Ltd (Australia, 61.5%)
POP Advertising (Pty) Limited (South Africa, 35%)	Process Blue B.V. (Netherlands, 100%)
Portland Kozteruleti Reklamugynokseg Kft (Hungary, 75%)	prodeers GmbH (Germany, 49%)
Portland Outdoor Advertising Limited (United Kingdom, 100%)	Professional Public Relations NZ Holdings Limited (New Zealand, 52.28%)
Portland Outdoor Malaysia Sdn Bhd (Malaysia, 100%)	Professional Public Relations NZ Limited (New Zealand, 52.28%)
Possible Australia Pty Ltd (Australia, 61.5%)	Professional Public Relations Pty Ltd (Australia, 52.28%)
Possible LLC (Russia, 60%)	Prolam Young & Rubicam SpA (Chile, 100%)
Possible Mobile, LLC (United States, 100%)	ProMedia A/S (Denmark, 100%)
Possible Worldwide Co Ltd (China, 100%)	Promedia Sverige AB (Sweden, 89.9%)
Possible Worldwide Comunicação Ltda (Brazil, 60%)	Promo Digital LLC (Russia, 60%)
Possible Worldwide Costa Rica Limitada (Costa Rica, 100%)	Promo Digital Production LLC (Russia, 60%)
POSSIBLE Worldwide GmbH (Germany, 60%)	Promociones Cardiau SL (Spain, 50%)
Possible Worldwide Limited (United Kingdom, 100%)	Promotion Execution Partners, LLC (United States, 100%)
Possible Worldwide Poland sp. z o.o. (Poland, 75%)	Promotion Makers BV (Netherlands, 100%)
Possible Worldwide Pte Ltd (Singapore, 100%)	Promotion Mechanics, Inc. (United States, 100%)
Possible Worldwide S.A. (Argentina, 62%)	Promotional Campaigns Limited (United Kingdom, 100%)
Possible Worldwide, LLC (United States, 100%)	Promotional Games Limited (United Kingdom, 50%)
Post Visual Co. Ltd (Republic of Korea, 76%)	Promotional Studios Limited (United Kingdom, 100%)
Poster Conseil SAS (France, 95%)	Promotions & Direct, Inc (Puerto Rico, 100%)
Poster Publicity Group Limited (United Kingdom, 100%)	Prophaven Limited (United Kingdom, 100%) ¹
Poster Publicity Holdings Ltd (United Kingdom, 100%) ¹	Propose Two Limited (United Kingdom, 100%)
Poster Publicity Juogoistocan Europa Doo (Croatia, 51%)	PSS Media Communications Pty Ltd (Australia, 26.14%)
Poster Publicity LLC (United States, 100%)	
Poster Publicity Ltd Ljubljana (Slovenia, 51%)	
Poster Sites Management Limited (United Kingdom, 100%)	

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

PT Alpha Salmon (Indonesia, 61.5%)	Quisma UK (United Kingdom, 100%)
PT Alpha Salmon (Indonesia, 61.5%)	Radish Industries Limited (United Kingdom, 75.3%)
PT Bates Mulia Indonesia (Indonesia, 100%)	Rainey Kelly Campbell Roalfe Limited (United Kingdom, 100%)
PT Bullseye (Indonesia, 61.5%)	Rainey Kelly Campbell Roalfe/Young & Rubicam Limited (United Kingdom, 100%)
PT Bullseye (Indonesia, 61.5%)	Razor Communications LLC (United States, 100%)
PT Cohn & Wolfe XPR (Indonesia, 60%)	Razor Holdings LLC (United States, 100%)
PT Digital Pariwara Satu Asia (Indonesia, 100%)	Ray Productions SARL (France, 100%)
PT Eksakta Digital Gemilang (Indonesia, 39.98%)	Raymond Sp. z.o.o (Poland, 100%)
PT Gagas Mahadaya Indera (Indonesia, 70%)	RB/TDM Holdings, LLC (United States, 100%)
PT Geometri Global Indonesia (Indonesia, 100%)	RC&M Experiential Marketing LLP (India, 70%)
PT Grey Worldwide Indonesia (Indonesia, 100%)	ReadySquare Limited (United Kingdom, 100%)
PT Ide Gemilang Milenia (Indonesia, 100%)	Readysquare Two Limited (United Kingdom, 100%)
PT Indo-Ad Inc (Indonesia, 100%)	Real Media Scandinavia AB (Sweden, 100%)
PT Kenaikan Laba Dua (Indonesia, 100%)	Red Card Communication Pty Ltd (Australia, 61.5%)
PT Magnivate Group (Indonesia, 60%)	Red Cell Advertising AG (Switzerland, 100%)
PT Merrion Square (Indonesia, 100%)	Red Cell Advertising SA (Greece, 66.4%)
PT Rama Perwira (Indonesia, 100%)	Red Cell Scotland Limited (United Kingdom, 100%)
PT STW Group (INDONESIA, 61.5%)	Red Cell Srl (Italy, 100%)
PT Wira Pamungkas Pariwara Inc (Indonesia, 100%)	RED Conseil (France, 100%)
PT Wunderman Pamungkas Indonesia (Indonesia, 80%)	Red de Medios SA, Unipersonal (Spain, 100%)
PT XM Gravitasi Digital (F.K.A. Magnivate) (Indonesia, 60%)	Red Dot Square Holdings Limited (United Kingdom, 100%)
PTM Sdn Bhd (Malaysia, 51%)	Red Dot Square Solutions Limited (United Kingdom, 100%)
PTR Brasil Publicidade Ltda. (Brazil, 100%)	Red Fuse Kansas City, LLC (United States, 100%)
PTR Comunicações Ltda (Brazil, 100%)	Red Fuse New York, LLC (United States, 100%)
Public Relations & International Sports Marketing B.V. (Netherlands, 100%)	Red Partner Unipessoal, Lda (Portugal, 100%)
Public Relations & International Sports Marketing, Inc. (United States, 100%)	Red Productions Srl (Italy, 100%)
Public Relations AKKA SAS (France, 100%)	Red Shots SL (Spain, 100%)
Public Relations and International Sports Marketing Limited (United Kingdom, 100%)	Red Tape Commercials Pty Ltd (Australia, 61.5%)
Public Strategies, Inc. (United States, 100%)	Red Wasabi Marketing Consulting (Shanghai) Co., Ltd (China, 100%)
Publicom Communications Ltd (Greece, 66.33%)	Reddion BV (Netherlands, 100%)
Publmeios Publicidade e Distribucao de Meios S.A. (Portugal, 100%)	Rediffusion-Dentsu Young & Rubicam Private Limited (India, 26.67%)
Pulse Communications Ltd (Hong Kong, 100%)	Redsky Angola Lda (Angola, 50.1%)
Pulse Communications Pty Ltd (Australia, 61.5%)	Redworks (Singapore) Pte Ltd (Singapore, 100%)
Pulse Creative London Limited (United Kingdom, 49.9%)	RedWorks (Taiwan) Co., Ltd (Taiwan Province of China, 100%)
Purple Communications Australia Pty Ltd (Australia, 30.14%)	Redworks Budapest Kft (Hungary, 100%)
Qais Consulting (India) Pvt Ltd (India, 78.62%)	Redworks Communications (Pty) Ltd (South Africa, 53.73%)
Qais Consulting Pte Ltd (Singapore, 80%)	Redworks Communications Johannesburg (Pty) Ltd (South Africa, 53.73%)
QCI Assessment Limited (United Kingdom, 100%)	Redworks GmbH (Austria, 100%)
Qualiant Software GmbH (Austria, 29.51%)	Redworks Korea LLC (Republic of Korea, 100%)
Quasar Media Private Ltd (India, 100%)	RedWorks Limited (Hong Kong, 100%)
Quill Communications Limited (United Kingdom, 100%)	Redworks SAS (France, 100%)
Quinn Gillespie & Associates LLC (United States, 100%)	Redworks Sp z.o.o. (Poland, 100%)
Quirk (Pty) Ltd (South Africa, 74.2%)	RedWorks, LLC (United States, 100%)
Quirk Cape Town (Pty) Ltd (South Africa, 74.2%)	Reese Communications Companies, Inc. (United States, 100%)
Quirk eMarketing Limited (United Kingdom, 74.2%)	Regional Informative Company for Marketing Results Ltd (Saudi Arabia, 76.29%)
Quirk Holdings (Pty) Ltd (South Africa, 74.2%)	Regional Management Group SAS (France, 100%)
Quirk Johannesburg (Pty) Ltd (South Africa, 74.2%)	Relations Publiques Caroline Allain RPCA SAS (France, 100%)
Quisma France SAS (France, 100%)	Relationship Marketing Group Limited (Hong Kong, 100%)
Quisma GmbH (Germany, 100%)	Relish Marketing Limited (United Kingdom, 100%)
Quisma Netherlands B.V. (Netherlands, 100%)	Renier S.A. (Uruguay, 51%)
Quisma Spain SLU (Spain, 100%)	Reniermedios S.A. (Ecuador, 100%)
Quisma Sweden AB (Sweden, 100%)	

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Rep Grey Worldwide S.A.S. (Colombia, 100%)	Saffron Hill Philippines Inc (Philippines, 85.3%)
RES PÚBLICA Consulting Group Inc. Groupe Conseil Res Publica Inc. (Canada, 22%)	Saffron Hill Research Pte Ltd (Singapore, 100%)
Research and Marketing Group Investment Limited (Mauritius, 70.02%)	Saint-Jacques Vallée Young & Rubicam Inc. (Canada, 49%)
Research International Asia (Malaysia) Sdn Bhd (Malaysia, 100%)	Sales Affiliates 34 (Proprietary) Limited (to be renamed Black Powder (Prop) Ltd (South Africa, 49%)
Research International Asia Pte Ltd (Singapore, 100%)	Sales Success (Aust) Pty Ltd (Australia, 61.5%)
Research International Australia Pty Ltd (Australia, 61.5%)	Salesplus Ltd (Greece, 100%)
Research International China (Guangzhou) Ltd (China, 100%)	Salesplus Sdn Bhd (Malaysia, 100%)
Research International Group Limited (United Kingdom, 100%)	Salespoint Pty Ltd (Australia, 61.5%)
Research International Limited (United Kingdom, 100%)	Salmon Asia Pacific Pty Limited (Australia, 100%)
Research International N.Z. Limited (New Zealand, 100%)	Salmon Limited (United Kingdom, 100%)
Research International Nederland BV (Netherlands, 100%)	Salmon Software Technology (Beijing) Co. Ltd. (China, 100%)
Research Resources Rotterdam BV (Netherlands, 100%)	SALVERGROVE PHILS. INC. (Philippines, 40%)
Research SA B.V. (Netherlands, 100%)	Sampson Tyrrell Corporate Marketing Limited (United Kingdom, 100%)
ressourcenmangel an der Panke GmbH (Germany, 26.99%)	santamaria GmbH (Germany, 51%)
ressourcenmangel dresden GmbH (Germany, 21.59%)	Santo Buenos Aires S.A. (Argentina, 100%)
Ressourcenmangel GmbH (Germany, 26.99%)	Santo Italia SRL (Italy, 51%)
ressourcenmangel Hamburg GmbH (Germany, 26.99%)	Santo UK Limited (United Kingdom, 100%)
ressourcenmangel Stuttgart GmbH (Germany, 26.99%)	Santo USA LLC (United States, 100%)
RessourcenReich GmbH (Germany, 60%)	Savage & Partners Pty Ltd (Australia, 61.5%)
Results India Communications Pvt Ltd (India, 69.5%)	SBS Asia Pacific Pty Ltd (Australia, 61.5%)
Retail Capital Holdings Limited (Isle Of Man, 35%)	Scanad Africa Limited (Kenya, 50.1%)
Rice 5 Limited (Hong Kong, 70%)	Scanad East Africa Limited (Kenya, 50.1%)
Rich & Famous Group NV (Belgium, 75%)	Scanad Ghana Limited (Ghana, 40.08%)
Richard Atlas & Associates Group ZFC (United Arab Emirates, 49%)	Scanad Kenya Limited (Kenya, 50.1%)
Rikes Hill & Knowlton Limited (Hong Kong, 70%)	Scanad Marketing Limited (Nigeria, 31.75%)
RKT Holding SAS (France, 100%)	Scanad Nigeria Holdings Limited (Mauritius, 50.1%)
RMG Connect (Altawasol International For Advertising) Ltd (Saudi Arabia, 67%)	Scanad Nigeria Limited (Nigeria, 50.1%)
RMG Connect Australia Pty Ltd (Australia, 61.5%)	Scanad Public Relations Limited (Nigeria, 31.75%)
RMG Connect Colombia Ltda (Colombia, 100%)	Scanad Rwanda Limited (Rwanda, 50.1%)
RMG Connect Consultancy FZE (United Arab Emirates, 67%)	Scanad Tanzania Limited (Tanzania, 41.08%)
RMG Connect GmbH (Germany, 100%)	Scanad Uganda Limited (Uganda, 50.1%)
RMG Connect SL (Spain, 100%)	Scangroup (Malawi) Limited (Malawi, 50.1%)
RMG Relationship Marketing Group Ltd (China, 100%)	Scangroup (Mauritius) Limited (Mauritius, 50.1%)
RMG:Black Cat Limited (United Kingdom, 100%)	Scangroup (Zambia) Limited (Zambia, 50.1%)
rmg:connect Marketing Gesellschaft mbH (Austria, 100%)	Scangroup Mauritius Holdings Limited (Mauritius, 50.1%)
rmg:connect Morocco Sarl (Morocco, 40.2%)	Scangroup Mozambique Limitada (Mozambique, 50.1%)
RMS Instore Limited (United Kingdom, 100%)	Scangroup West Africa Limited (Nigeria, 31.75%)
Rocket Works Group Inc. (United States, 100%)	Scanpartner Göteborg AB (Sweden, 100%)
Rockfish Interactive LLC (United States, 100%)	Schematic Latin America, LLC (United States, 100%)
Rodalca Slu (Spain, 100%)	Schematype Limited (United Kingdom, 100%)
Roundtrip Limited (Kenya, 50.1%)	Scholz & Friends Advert S.L. (Spain, 100%)
RSMB Limited (United Kingdom, 50%)	Scholtz & Friends Berlin GmbH (Germany, 100%)
Russell Square Holding BV (Netherlands, 100%)	Scholtz & Friends Budapest Kft (Hungary, 100%)
RWG Limited (United Kingdom, 100%)	Scholtz & Friends Digital Media GmbH (Germany, 50.1%)
S&H Health Group Spain S.L. (Spain, 100%)	Scholtz & Friends Düsseldorf GmbH 39859 (Germany, 100%)
s&k GmbH (Germany, 100%)	Scholtz & Friends Group GmbH (Germany, 100%)
S&S MCC and MCC, Inc. (United States, 100%)	Scholtz & Friends Hamburg GmbH (Germany, 100%)
S.H.Benson International Limited (United Kingdom, 100%)	Scholtz & Friends iDialog GmbH (Germany, 100%)
S.H.Benson(India)Limited (United Kingdom, 100%)	Scholtz & Friends Kiev (Ukraine, 35%)
Sadek Wynberg Millward Brown Limited (United Kingdom, 100%) ³	Scholtz & Friends NeuMarkt GmbH (Germany, 100%)
	Scholtz & Friends Rome Srl (Italy, 100%)
	Scholtz & Friends s.r.o. (Czech Republic, 25%)
	Scholtz & Friends Schweiz AG (Switzerland, 100%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Scholz & Friends Stockholm AB (Sweden, 30%)	Shanghai SAC Ogilvy Marketing Communications Co., Ltd (China, 66%)
Scholtz & Friends Trademarks GmbH (Germany, 100%)	Shanghai SocialThink Advertising Co., Ltd. (China, 70%)
Scholz & Friends Warszawa Sp.z.o.o. (Poland, 25%)	Shanghai Star Echo Marketing & Communication Co., Ltd (China, 51%)
SCI Scientific Communications and Information UK Ltd (United Kingdom, 100%)	Shanghai Sudler MDS Healthcare Communications Co., Ltd (China, 60%)
Scott Stem Associates Limited (United Kingdom, 100%)	Shanghai Sunrise Market Research Co. Ltd. (China, 95%)
Scott Stem Limited (United Kingdom, 100%)	Shanghai Xianhe Advertisement, Film and Television Production Ltd (China, 33.33%)
Scotts Road Management Services LLP (Singapore, 100%)	Shanghai Yuhai Advertising Co Ltd (China, 70%)
SCPF America LLC (United States, 51%)	Sharp Shooter Films Private Ltd (India, 65%)
SCPF Colombia S.A.S (Colombia, 51%)	Shengshi International Media (Group) Limited (Hong Kong, 100%)
Screenbase SAS (France, 95%)	Shenyang Ogilvy Communications Co. Ltd (China, 60%)
Scribble Beheer BV (Netherlands, 100%)	Shenzhen Black Arc Ogilvy Advertising Media Limited (China, 60%)
Searchlab Pty Ltd (Australia, 61.5%)	Shift Communications Pty Ltd (Australia, 61.5%)
Secondary Holding Company L.L.C. (United States, 100%)	Siang Design International Pte Ltd (Singapore, 80.01%)
Secure Two Limited (United Kingdom, 100%)	Signature Promotions Limited (Hong Kong, 51%)
Segarra Cuesta Puig Fernandez De Castro SL (SCPF) (Spain, 100%)	Signposter.com Ltd (United Kingdom, 100%)
Segarra, Cuesta, Puig, Fernandez De Castro, SRL de CV (Mexico, 51%)	Sinergy Connect – Comunicação e Publicidade Interactiva, Unipessoal Lda (Portugal, 100%)
SEK & Grey OY (Finland, 22.5%)	Singleton Direct Pty Ltd (Australia, 61.5%)
Senior Minds Pty Ltd (trading as Ogilvy Brisbane or Junior) (Australia, 61.5%)	Singleton Holdings Pty Ltd (Australia, 61.5%)
Sentrix Global Health Communications Srl (Italy, 100%)	Singleton Ogilvy & Mather (Holdings) Pty Ltd (Australia, 61.5%)
Sentrix London Ltd (United Kingdom, 100%) ¹	Singleton OgilvyInteractive Pty Ltd (Australia, 61.5%)
Sercon Asia Pacific Pte Ltd (Singapore, 74%)	Singleton OgilvyOne Pty Ltd (Australia, 61.5%)
Sercon India Private Limited (India, 74%)	Singleton, Ogilvy & Mather (Melbourne) Pty Ltd (Australia, 61.5%) ¹
Servicios Portland de Venezuela C.A. (Venezuela, 100%)	Singleton, Ogilvy & Mather New Zealand Limited (New Zealand, 61.5%)
Servicios Profesionales de Administración LPM, S.A. de C.V. (Mexico, 100%)	Sinotrust International Information & Consulting (Beijing) Co. Ltd. (China, 90%)
Set Creative NL B.V. (Netherlands, 65%)	Sirius Holdings (United Kingdom, 100%)
Set Creative UK Limited (United Kingdom, 65%)	Six Degrees PR Consultants Pvt Ltd (India, 60%)
Set Live Limited (United Kingdom, 65%)	SJR Canada Ltd (Canada, 100%)
Set Management, LLC (United States, 65%)	SJS Management Services Limited (United Kingdom, 100%)
Shalmor Avnon Amichay Advertising Ltd (Israel, 100%)	Slotala Biuro Inwestycyjno-Handlowe Sp.z.o.o. (Poland, 50%)
Shanghai Advertising Ltd (China, 33.33%)	Smart Media Joint Stock Company (Vietnam, 24%)
Shanghai Allied Advertising Ltd (China, 47%)	Smollan Australia Pty Ltd (Australia, 31.37%)
Shanghai Asatsu Advertising Co. Ltd (China, 24.32%)	Smollan Holdings (Proprietary) Limited (South Africa, 24.76%)
Shanghai Astus Advertising Co., Ltd. (China, 50%)	So Fresh Joint Stock Company (Vietnam, 60%)
Shanghai Bates MeThinks Marketing Communications Co. Ltd (China, 70%)	So.Zen SPRL (Belgium, 80%)
Shanghai DoctorLink (Internet) Technology Company Limited (China, 19.9%)	Social at Ogilvy, Hong Kong Limited (Hong Kong, 100%)
Shanghai Evision Digital Marketing Consulting Co Ltd (China, 100%)	Social Lab France SAS (France, 80%)
Shanghai Filmworks Entertainment Marketing Co. Ltd. (China, 65%)	Social Lab SPRL (Belgium, 80%)
Shanghai Grey ArtM Marketing Communications Co. Ltd. (China, 70%)	Social Lab, Inc. (United States, 80%)
Shanghai Iconmobile Co Ltd (China, 83.95%)	Social PR Outsourcing Private Limited (India, 50.96%)
Shanghai Kuvera E-Commerce Co.,Ltd (China, 70%)	Sociograma SL (Spain, 100%)
Shanghai Linjie Marketing Services Co. Ltd. (China, 70%)	Soclab UK Limited (United Kingdom, 80%)
Shanghai Methinks Ogilvy Advertising Co. Ltd (China, 70%)	Sofres Asia Pacific SAS (France, 100%)
Shanghai Mjoule Advertising Co., Ltd (China, 71%)	Sofres Lyon SARL (France, 100%)
Shanghai Ogilvy & Mather Advertising Ltd (China, 100%)	Softmedia Limited (United Kingdom, 100%)
Shanghai Ogilvy & Mather Marketing Communications Consulting Co Ltd (China, 100%)	Software People Bangladesh Limited (Bangladesh, 65%)
	Soho Square (Advertising) Limited (United Kingdom, 100%)
	Soho Square (Proprietary) Ltd (South Africa, 53.73%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Soho Square (Vietnam) Company Ltd (Vietnam, 100%)	Strike Media (Proprietary) Limited (South Africa, 32.24%)
Soho Square Advertising & Marketing Communications Private Limited (India, 80%)	Studio 466 Inc. (United States, 100%)
Soho Square Advertising Co Ltd (China, 100%)	Studio 58 Inc. (United States, 100%)
Soho Square Advertising LLC (United Arab Emirates, 60%)	Studio Click Produção e Comunicação Ltda (Brazil, 90%)
Soho Square Hong Kong Limited (Hong Kong, 100%)	Studiocomcom Inc (United States, 80%)
Soho Square Japan K.K. (Japan, 100%)	Studyo Reklamcilik Sanayi ve Ticaret LTD Sti (Turkey, 100%)
Soho Square Korea (Republic of Korea, 100%)	STW Geometry Holdings Pty Ltd (Australia, 31.37%)
Soho Square México, S.A. de C.V (Mexico, 100%)	STW Group (New Zealand) Limited (New Zealand, 61.5%)
Soho Square Pakistan (Private) Limited (Pakistan, 50%)	STW Group Asia Holdings Pte Ltd (Singapore, 61.5%)
Soho Square Pte Ltd (Singapore, 100%)	STW Group Asia Management Pte Ltd (Singapore, 61.5%)
Soho Square Reklamcilik Limited Sirketi (Turkey, 100%)	STW Group Investments Pte Ltd (Singapore, 61.5%)
Soho Square Sp. z.o.o. (Poland, 100%)	STW Investments Pty Ltd (Australia, 61.5%)
Soho Square Srl (Italy, 100%)	STW Media Pty Ltd (Australia, 61.5%)
Solski Burson Marsteller sp. z.o.o (Poland, 30.07%)	STW Media Services Pty Ltd (Australia, 61.5%)
Soluciones de Marketing y Comunicacion Iberia SLU (Spain, 100%)	STW Smollan Field Marketing Pty Ltd (Australia, 31.37%)
Sonic Sun Limited (United Kingdom, 100%)	STW Win Pty Ltd (Australia, 61.5%)
SourceRepublic B.V. (Netherlands, 100%)	Subnine Pty Ltd (Australia, 61.5%)
Space SA (Belgium, 50%)	Sudler & Hennessey Australia Pty Ltd (Australia, 61.5%) ¹
Spafax Airline Network (Singapore) Pte Ltd (Singapore, 100%)	Sudler & Hennessey GmbH (Germany, 100%)
Spafax Airline Network Limited (United Kingdom, 100%)	Sudler & Hennessey Limited (United Kingdom, 100%)
Spafax Aureus Limited (United Kingdom, 100%)	Sudler & Hennessey Pvt Ltd (India, 63.34%)
Spafax Canada Inc (Canada, 100%)	Sudler & Hennessey SAS (France, 100%)
Spafax Medios y Publicidad SpA (Chile, 100%)	Sudler & Hennessey Srl (Italy, 100%)
Spafax Networks LLC (United States, 100%)	Sudler & Hennessey Toronto ULC (Canada, 100%)
SPAFAX NETWORKS SDN. BHD. (Malaysia, 100%)	Sudler & Hennessey, LLC (United States, 100%)
SponsorCom Limited (United Kingdom, 100%)	Suomen Gallup Elintarviketieto Oy (Finland, 62%)
Sporto Pty Ltd (Australia, 61.5%)	Supermirella Participações Ltda (Brazil, 100%)
Spot Thompson Total Communication Group SA (Greece, 66.4%)	Sureluck Holdings Inc (Philippines, 40%)
Spot Thompson Total Communications Group Limited (Cyprus, 33.2%)	Swat Marketing Pty Ltd (Australia, 61.5%)
spring infotainment Wirtz und Pischke Verwaltungsgesellschaft mbH (Germany, 100%)	Swift + POSSIBLE LLC (United States, 100%)
spring Wirtz und Pischke GmbH & Co. KG (Germany, 100%)	Switched On Media Pty Ltd (Australia, 46.13%)
sPrint Production Srl (Italy, 100%)	SWK PARTNERS, LLC (United States, 29%)
Squad Digital Limited (Kenya, 43.93%)	Synergy Hill & Knowlton Co Ltd (Republic of Korea, 70%)
Squad Digital Middle East FZ-LLC (United Arab Emirates, 43.93%)	System Analytic Limited (United Kingdom, 75%)
Sra Rushmore SA (Spain, 68%)	Szygy AG (Germany, 51.78%) ⁵
SSQ ADVERTISING & COMMUNICATION SOCIETE ANONYME (Greece, 36%)	Szygy Deutschland GmbH (Germany, 51.78%)
Stacke Services Pty Ltd (Australia, 61.5%)	Szygy Media GmbH (Germany, 51.78%)
Stacke Services Pty. Ltd. (Australia, 61.5%)	Szygy UK Limited (United Kingdom, 51.78%)
Stampa Basim Sanayi Pazarlama ve Tanitim Hizmetleri (FKA Stampa Printing) (Turkey, 25%)	T&A Ogilvy Joint Venture Company Limited (Vietnam, 60%)
Star Advertising New Zealand Branch (New Zealand, 61.5%)	Taivas Design Oy (Finland, 31.35%)
Star Advertising Pty Ltd (Australia, 61.5%)	Taivas Kauppa Oy (Finland, 33%)
Stickleback Limited (United Kingdom, 100%)	Taivas Maan Paalla Oy (Finland, 33%)
Stonewall Digital Marketing (Pty) Limited (South Africa, 59.37%)	Taivas Mainos Advertising Oy (Finland, 33%)
Strategic Information Management, Inc. (United States, 100%)	Taivas Soura Oy (Finland, 28.88%)
Strategic Marketing Consultancy Limited (United Kingdom, 100%)	Tam Media Research Private Limited (India, 47.45%)
Straterjee Pty Ltd (Australia, 61.5%)	Tapsa - Young & Rubicam S.L. (Spain, 100%)
Stream Digital Artwork Systems Limited (United Kingdom, 100%)	Target Marketing Limited (Ireland, 31.77%)
Strenstrom Red Cell AB (Sweden, 100%)	Tattoo FZ LLC (United Arab Emirates, 37.8%)
	Taxi Canada Ltd. (Canada, 100%)
	Taxi Inc. (United States, 100%) ¹
	Taylor Nelson Sofres Asia Pacific Pty Ltd (Australia, 100%)
	Taylor Nelson Sofres Australia Pty Ltd (Australia, 61.5%)
	Taylor Nelson Sofres BV (Netherlands, 100%)
	Taylor Nelson Sofres Group Spain SL (Spain, 99.88%)
	Taylor Nelson Sofres Hong Kong Limited (Hong Kong, 100%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Taylor Nelson Sofres Hungary Business and Social Marketing and Consulting Limited (Hungary, 100%)
 Taylor Nelson Sofres International Limited (United Kingdom, 100%)
 Taylor Nelson Sofres Ireland Limited (Ireland, 100%)¹
 Taylor Nelson Sofres Malaysia Sdn Bhd (Malaysia, 100%)
 Taylor Nelson Sofres Market Research A.E (Greece, 100%)
 Taylor Nelson Sofres México, S.A. de C.V. (Mexico, 100%)
 Taylor Nelson Sofres Poland Sp.z o.o (Poland, 100%)
 Taylor Nelson Sofres S.A. (In Spain) (Spain, 100%)
 Taylor Nelson Sofres S.a.r.l. (Algeria, 100%)
 Taylor Nelson Sofres SAS (France, 100%)
 Taylor Nelson Sofres Services Limited (United Kingdom, 100%)
 Taylor Nelson Sofres Singapore Pte Ltd (Singapore, 100%)
 Taylor Nelson Sofres Suomi OY (Finland, 100%)
 Taylor Nelson Sofres Taiwan Ltd (Taiwan Province of China, 100%)
 Taylor Nelson Sofres Teleseker Limited (Israel, 95%)
 Taylor Nelson Sofres Trustees Limited (United Kingdom, 100%)
 Taylor Nelson Sofres Ukraine Limited (Ukraine, 51%)
 Taylor Nelson Sofres Vietnam Pte Limited (Vietnam, 100%)
 TBA Communications Ltd (New Zealand, 51.66%)
 TBU Holdings Limited (United Kingdom, 100%)
 Team Advertising and Marketing WLL (Kuwait, 49.2%)
 Team Advertising SARL (Lebanon) (Lebanon, 49.1%)
 Team Advertising SP (Saudi Arabia, 49.2%)
 Team Cosmo GmbH (Germany, 100%)
 Team Cosmo UK Limited (United Kingdom, 100%)
 Team Garage LLC (United States, 100%)
 Team Gulf Advertising -FZ- LLC (United Arab Emirates, 49.2%)
 Team Gulf Advertising LLC (United Arab Emirates, 49.2%)
 Team Holdings Curacao N.V. (Netherlands, 49.2%)
 Team Life Global Limited (United Kingdom, 100%)
 TEAM RED Advertising, Trading and Consulting Limited Liability Company (Hungary, 100%)
 Team Red Communications Pty Ltd (Australia, 61.5%)
 Team Red Reklamcılık ve Yayınçılık Limited Pirketi (Turkey, 100%)
 Team Y&R Advertising LLC (Abu Dhabi) (United Arab Emirates, 24.11%)
 Team Y&R Holdings Hong Kong Limited (Hong Kong, 60%)
 Team Y&R SARL (Morocco, 25.04%)
 Team Y&R Saudi Limited (United Kingdom, 100%)
 Team Y&R WLL (Qatar) (Qatar, 23.87%)
 Team Young & Rubicam LLC (Egypt) (Egypt, 48.71%)
 Team Young & Rubicam WLL (Qatar) (Qatar, 49.2%)
 Team Young and Rubicam Advertising LLC (Abu Dhabi) (United Arab Emirates, 49.2%)
 TechEdge (UK) Limited (United Kingdom, 49%)
 TechEdge America Inc. (United States, 49%)
 Techedge ApS (Denmark, 49%)
 TechEdge Asia Pacific, Singapore Pte. Ltd. (Singapore, 49%)
 Technical Full Marketing SL (Spain, 100%)
 Ted Bates Holdings Limited (United Kingdom, 100%)
 Ted Bates Worldwide, Inc. (United States, 100%)
 Telebingo Limited (United Kingdom, 100%)

TeleContact International BV (Netherlands, 50%)
 Teledirect Pte Ltd (Singapore, 40%)
 Telephone Market Research Bureau Limited (United Kingdom, 100%)
 Telquest GmbH (Germany, 24%)
 Tempest Online Marketing Limited (United Kingdom, 100%)
 Tempus Group Limited (United Kingdom, 100%)
 Tempus Group North America Holdings, LLC (United States, 100%)
 Tempus Media Holding SL (Spain, 100%)
 Tempus Media Technologies Holdings Limited (United Kingdom, 100%)
 Tempus Partners Limited (United Kingdom, 100%)
 Tenthavenue France SAS (France, 100%)
 Tenthavenue Media Limited (United Kingdom, 100%)
 Tenthavenue srl (Italy, 100%)
 TenthAvenue Worldwide Media LLC (United States, 100%)
 Test Company A (United Kingdom, 100%)
 Testardo Gram Sp. z.o.o. (Poland, 100%)
 THB Click (Pty) Ltd (South Africa, 32.4%)
 THB Disturbance (Pty) Ltd (South Africa, 44.52%)
 THB Outpost (Pty) Ltd (South Africa, 44.52%)
 The & Partners Group Limited (United Kingdom, 49.9%)
 The Added Value Group (Proprietary) Limited (South Africa, 71.93%)
 The Brand Agency Pty Ltd ATF Brand Agency Unit Trust (Australia, 51.66%)
 The Brand Futures Consultancy Limited (United Kingdom, 100%)³
 The Brand Union (Proprietary) Limited (South Africa, 80%)
 The Brand Union AB (Sweden, 86.25%)
 The Brand Union China (China, 99%)
 The Brand Union Company, Inc. (United States, 100%)
 The Brand Union Holdings Ltd (United Kingdom, 100%)
 The Brand Union Iberia SL (Spain, 100%)
 The Brand Union Limited (Hong Kong) (Hong Kong, 100%)
 The Brand Union Limited (Ireland) (Ireland, 100%)
 The Brand Union Ltd (Thailand, 99.95%)
 The Brand Union Ltd (United Kingdom, 100%)
 The Brand Union Pte Ltd (Singapore, 100%)
 The Brand Union SAS (France, 100%)
 The Brand Union Worldwide Ltd (United Kingdom, 100%)
 The Brandmade Media Group Limited (United Kingdom, 100%)
 The Bridge Communications Company Limited (Hong Kong, 100%)
 The Campaign Palace Pty Ltd (Australia, 61.5%)
 The Conscience Organization Pty Limited (Australia, 24.6%)
 The Core Company AB (Sweden, 100%)
 The Core Group s.r.o. (Czech Republic, 100%)
 THE Corporate Film Company Pty Limited (Australia, 61.5%)
 The Corporate Film Company Pty Ltd (Australia, 61.5%)
 The Customer Equity Company (SA) (PTY) Limited (South Africa, 100%)
 The Data Republic S.L. (Spain, 100%)
 The Exchange Lab Holdings Ltd (United Kingdom, 100%)
 The Exchange Lab Inc. (United States, 100%)
 The Exchange Lab Ltd (United Kingdom, 100%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

The Exchange Lab Pte Limited (Singapore, 100%)	The Store Consulting Limited (United Kingdom, 100%)
The Exchange Lab Trustees Limited (United Kingdom, 100%)	The Store WPP AUNZ Pty Ltd (Australia, 61.5%)
The Farm LA, Inc. (United States, 85%)	The Tempus Group Trust Company (1990) Limited (United Kingdom, 100%)
The Farm Post Production Limited (United Kingdom, 75%)	The WOW Factory Limited (United Kingdom, 100%)
The Finsbury Group Limited (United Kingdom, 100%)	The Young & Rubicam Group of Companies ULC (Canada, 100%) ¹
The Futures Company Argentina S.A. (Argentina, 100%)	TheMissingLink Pty Ltd (Australia, 61.5%)
The Futures Company Worldwide LLC (United States, 100%)	These Days BV (Netherlands, 100%)
The GCI Group LLC (United States, 100%)	These Days NV (Belgium, 100%)
The Glover Park Group, LLC (United States, 100%)	Thistleclub Limited (United Kingdom, 100%) ⁵
The GroupM ESP Clever Company S.R.L. de C.V. (Mexico, 100%)	Thompson Connect (Proprietary) Limited (South Africa, 74.2%)
The GroupM ESP Trading Company, S.R.L. de C.V. (Mexico, 100%)	Thompson Connect Worldwide S.A. (Argentina, 100%)
The Hardy Boys (Pty) Ltd (South Africa, 44.52%)	Thompson Nepal Private Ltd (Nepal, 76%)
The Issues & Images Group Pty Ltd (Australia, 61.5%)	Tihama Al Mona International - J Walter Thompson S.A.R.L (Lebanon, 67%)
The Jupiter Drawing Room (Cape Town) (Proprietary) Limited (South Africa, 49%)	Tihama al Mona International Advertising Ltd (Saudi Arabia, 67%)
The Jupiter Drawing Room (Proprietary) Limited (South Africa, 49%)	Time Media S.A. (Chile, 98.92%)
The Kantar Group Limited (United Kingdom, 100%)	TK-L Media Corporation (Vietnam, 30%)
The Lacek Group LLC (United States, 100%)	TMC International Limited (United Kingdom, 100%)
The Lathe, LLC (United States, 100%)	TMP Hellas SA (Greece, 23.1%)
The Light Brigade Regimental Investment Corporation (Pty) Ltd (South Africa, 49%)	TMynus Inc (United States, 20%)
The Lionheart Brand Holding Company (International) Ltd (Mauritius, 49%)	TNS (Thailand) Limited (Thailand, 100%) ¹
The Lionheart Brand Holding Company (PTY) LTD. (South Africa, 49%)	TNS AISA s.r.o. (Czech Republic, 100%)
The Media Business Limited (United Kingdom, 100%)	TNS Area Operaciones S.L. (Spain, 100%)
The Media Edge S de RL de CV (Mexico, 100%)	TNS Asia Holdings Limited (United Kingdom, 100%)
The Media Edge SA (Greece, 100%)	TNS Automotive AB (Sweden, 100%)
The Media Insight Polska Sp. z o.o. (Poland, 100%)	TNS Central Asia, LLC (Kazakhstan, 60%)
The Media Partner France SA (France, 33.26%)	TNS Chile SpA (Chile, 100%)
The Mediaedge S.A. (Argentina, 51%)	TNS China Co., Ltd (China, 100%)
The MediaEdge SA (Peru, 100%)	TNS Data S.A. (Costa Rica) (Costa Rica, 100%)
The Midas Exchange Inc (United States, 100%)	TNS Data S.A. (Guatemala) (Guatemala, 100%)
The Network (The Ogilvy Media Company) Limited (United Kingdom, 100%)	TNS Data S.A. (Panama) (Panama, 100%)
The New Media Edge Company Ltd (Thailand, 61.5%)	TNS Data S.A. de C.V. (El Salvador) (El Salvador, 100%)
The Ogilvy Group Superannuation Pty Ltd (Australia, 61.5%)	TNS Egypt Ltd (Egypt, 100%)
The Ogilvy Group, LLC (United States, 100%)	TNS EMNID GmbH & Co. KG (Germany, 100%)
The OgilvyOne Connections Group Limited (United Kingdom, 100%)	TNS Finance (CI) Limited (Guernsey, 100%)
The Online Research Unit Pty Ltd (Australia, 61.5%)	TNS Finance (G) Limited (Guernsey, 100%)
The Origin Agency Pty Ltd (Australia, 61.5%)	TNS Finance Limited (Guernsey, 100%)
The Paragon Design Group Pty Ltd (Australia, 61.5%)	TNS Gallup Adfact (Russia, 20%)
The Partners (Brand Consultants) LLC (United States, 100%)	TNS Gallup Argentina S.A. (Argentina, 100%)
The Partners (Brand Consultants) LLP (Singapore, 100%)	TNS Gallup Denmark A/S (Denmark, 100%)
The PBN Company (United States, 75%)	TNS Gallup OY (Finland, 100%)
The Poster Business Ltd (United Kingdom, 100%)	TNS Group Holdings Limited (United Kingdom, 100%) ¹
The Punch Agency Pty Ltd (Australia, 61.5%)	TNS Hoffmann kft (Hungary, 40%)
The Qualitative Workshop Limited (United Kingdom, 100%)	TNS India Private Limited (India, 100%)
The Reality Shop Inc. (United States, 100%)	TNS Infratest RI GmbH (Germany, 100%)
The Reputation Institute Pty Ltd (Australia, 61.5%)	TNS Infratest S.P.A. (Italy, 100%)
The Royal Metropole (Proprietary) Limited (South Africa, 25.68%)	TNS Infratest Slovakia s.r.o. (Slovakia, 100%)
The Seattle Wunderman Network, LLC (United States, 100%)	TNS Insight Limited (United Kingdom, 100%)
	TNS Investigacion de Mercados Y Opinion SRL (Spain, 100%)
	TNS Ireland LLC (United States, 100%)
	TNS Italia Srl (Italy, 100%)
	TNS Lanka Private Limited (Sri Lanka, 100%)
	TNS Latvia SIA (Latvia, 74.2%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

TNS Liban Sarl (Lebanon, 100%)	Tribeca Propaganda Publicidade e Participações Ltda (Brazil, 100%)
TNS LT, UAB (Lithuania, 94.71%)	Tripcare Limited (United Kingdom, 100%)
TNS Luxembourg Alpha S.a.r.l. (Luxembourg, 100%)	Triyaka Communications Pvt. Ltd (India, 100%)
TNS Luxembourg Beta S.a.r.l. (Luxembourg, 100%)	TRUFFLE PIG, LLC (United States, 45%)
TNS Maroc S.a.r.l. (Morocco, 100%)	TS Mediefakta AB (Sweden, 97.5%)
TNS Media Vietnam Co., Ltd (Vietnam, 50.1%)	TSE Consulting SA (Switzerland, 65%)
TNS Medium Gallup Limited (Serbia, 34%)	Tutssels Enterprise IG Limited (United Kingdom, 100%)
TNS México, S.A. de C.V. (Mexico, 100%)	Two Circles Limited (United Kingdom, 80%)
TNS Middle East & Africa WLL (Bahrain) (Bahrain, 100%)	Two Rivers Media LLC (United States, 100%)
TNS Myanmar Co Ltd (Myanmar, 70%)	Ubachs Wisbrun/JWT VOF (Netherlands, 59.52%)
TNS Myanmar Holdings Pte. Ltd. (Singapore, 70%)	UFO Centrum BV (Netherlands, 100%)
TNS New Zealand Ltd (New Zealand, 61.5%)	Uforce BV (Netherlands, 100%)
TNS Nipo BV (Netherlands, 100%)	Ulmara SLU (Spain, 100%)
TNS Opinion SA (Belgium, 100%)	Ultimate Square (United Kingdom, 100%)
TNS Overseas Holdings (Alpha) Limited (United Kingdom, 100%)	Umagination Labs, L.P. (United States, 50.44%)
TNS Overseas Holdings (Beta) Limited (United Kingdom, 100%)	Uncle Grey A/S (Denmark, 100%)
TNS Overseas Holdings (Epsilon) Limited (United Kingdom, 100%)	Uncle Post Production Limited (United Kingdom, 75%)
TNS Overseas Holdings (Gamma) Limited (United Kingdom, 100%)	Underline Design Group (M) Sdn Bhd (Malaysia, 49%)
TNS Overseas Media Holdings Limited (United Kingdom, 100%)	Unimedia Central de Medios SL (Spain, 100%)
TNS Piyasa Araytirma Danyzmanlyk ve Ticaret Anonim Pirketi (Turkey, 100%)	Union Digital Ltd (New Zealand, 42.02%)
TNS Polska S.A. (Poland, 100%)	Unique Digital Marketing Limited (United Kingdom, 51.78%)
TNS Research Limited (United Kingdom, 100%)	United - Asatsu International Ltd (Taiwan Province of China, 20.67%)
TNS RMS Cote D'Ivoire Sarl (Cote d'Ivoire, 70.02%)	United Advertising Company Limited (Saudi Arabia, 60%)
TNS RMS East Africa Limited (Kenya, 70.02%)	United Bay Trading Company LLC Jordan (Jordan, 24.55%)
TNS RMS International (GH) Ltd (Ghana, 70.02%)	United Media (R.S. 2005) Ltd (Israel, 100%)
TNS RMS Nigeria Limited (Nigeria, 70.02%)	UNITED VISIONS GmbH (Germany, 65%)
TNS RMS Senegal SA (Senegal, 70.02%)	UNITED VISIONS Holding GmbH (Germany, 100%)
TNS RMS UK Limited (United Kingdom, 70.02%)	Uniworld Group, Inc. (United States, 49%)
TNS Serviços de Pesquisa de Mercado Ltda (Brazil, 100%)	USEEDS GmbH (Germany, 36.25%)
TNS Sifo AB (Sweden, 100%)	UV Interactive Entertainment GmbH (Germany, 100%)
TNS Slovakia s.r.o (Slovakia, 100%)	VAC Media Corporation (Vietnam, 30%)
TNS UK Holdings Limited (United Kingdom, 100%)	Valenstein & Fatt Limited (United Kingdom, 100%)
TNS UK Limited (United Kingdom, 100%) ⁱ	VAP Group Limited (United Kingdom, 100%)
TNS Worldpanel Limited (United Kingdom, 100%)	VAP International Communications Limited (United Kingdom, 100%)
TNS-NFO UK Limited (United Kingdom, 100%)	VBAT BV (Netherlands, 100%)
TNS-NFO US (United Kingdom, 100%)	VBAT.MX, S. de R.L. de C.V. (Mexico, 100%)
TNS-RMS Cameroun Limited (Cameroun, 70.02%)	VELED Kft. (Hungary, 80%)
TNS-Tel-Gal Media Research Ltd (Israel, 97.45%)	Verticurl Japan G.K. (Japan, 60%)
Today Advertising Ltd (Myanmar, 35%)	Verticurl LLC (United States, 60%)
TooBeeDoo LLC (Russia, 27%)	Verticurl Marketing Private Limited (India, 60%)
Total Glory International Limited (Hong Kong, 100%)	Verticurl Marketing Services Pty Limited (Australia, 60%)
tradeers e-commerce GmbH (Germany, 43.12%)	Verticurl Marketing UK Limited (United Kingdom, 60%)
Trafalgar Square Holding B.V. (Netherlands, 100%)	Verticurl Pte. Ltd. (Singapore, 60%)
Tramontana Dream Holdings SL (Spain, 51%)	Verticurl Telemarketing Private Limited (India, 60%)
Transart Educational Marketing Systems Ltd (United Kingdom, 100%)	Verwaltungsgesellschaft Global "Sportnet" Sportmarketing mbH (Germany, 100%)
Transmission Advertising Services GmbH, 53146 (Germany, 100%)	Vincent Square Holding BV (Netherlands, 100%)
Tranzformer Limited (United Kingdom, 100%)	Vinizus Young & Rubicam SL (Spain, 100%)
Tribe Advertising Services SA (Greece, 53.08%)	Vinyl I-Co. Ltd (Republic of Korea, 75%)
Tribe Marketing Pty Ltd (Australia, 61.5%)	Viscira, LLC (United States, 100%)
Tribe Media Solutions Pty Ltd (Australia, 61.5%)	Visionwise Consulting SRL (Romania, 100%)
	Visual Art Productions (Oxford) Limited (United Kingdom, 100%)
	VML Digital Pty Ltd (Australia, 61.5%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

VML Europe Holding sp. z o.o. (Poland, 100%)	WPP AUNZ Ltd (Australia, 61.5%)
VML London Ltd (United Kingdom, 100%)	WPP AUNZ Solutions Pty Ltd (Australia, 61.5%)
VML Propaganda Ltda (Brazil, 90%)	WPP Australia Holding Pty Ltd (Australia, 100%)
VML, Inc. (United States, 100%)	WPP Australia Trademarks PTY LTD (Australia, 100%)
VMLMEX S. de R.L. de C.V. (Mexico, 100%)	WPP Beans Limited (United Kingdom, 100%) ^{1,5}
Vocanic (Malaysia) SDN BHD (Malaysia, 80.65%)	WPP Blinks Participações Ltda. (Brazil, 100%)
Vocanic Pte. Ltd. (Singapore, 80.65%)	WPP Brand Participacoes Ltda (Brazil, 100%)
Volcano IMC Proprietary Limited (South Africa, 58.46%)	WPP Brands Ireland Unlimited Company (Ireland, 100%)
Voluntarily United Creative Agencies Limited (United Kingdom, 100%)	WPP Brandz (United Kingdom, 100%)
VORN Strategy Consulting Berlin GmbH (Germany, 39.2%)	WPP Busca Vida Participacoes Ltda (Brazil, 100%)
VORN Strategy Consulting GmbH (Germany, 49%)	WPP Business Services Sdn. Bhd. (Malaysia, 100%)
Vorsetzen HH65 GmbH (Germany, 60%)	WPP Business Services, S. de R.L. de C.V. (Mexico, 100%)
W.N.D.R.M Inc (Panama, 54%)	WPP Cap Limited (United Kingdom, 100%) ⁵
WALTER ISTANBUL REKLAM ISLERI A.S. (Turkey, 100%)	WPP Captive Holdings Limited (Hong Kong, 100%)
Walter Landor y Asociados, S de RL de CV (Mexico, 100%)	WPP Chile Finanzas SpA (Chile, 100%)
Watershed Studio Limited (United Kingdom, 100%)	WPP Clapton Square LLC (United States, 100%)
We Are Blossom B.V. (Netherlands, 100%)	WPP Claremont Square B.V. (Netherlands, 100%)
Webling Pty Ltd (Australia, 46.13%)	WPP Compete (United Kingdom, 100%)
Webola Huge Idea sp. z o.o. sp.k. (Poland, 49%)	WPP Comunicação Digital do Brasil Ltda (Brazil, 100%)
WELL s.r.l. (Italy, 100%)	WPP Consulting Limited (United Kingdom, 100%)
Westbourne Terrace Management Services Limited (United Kingdom, 100%)	WPP Consulting México, S. de R.L. de C.V. (Mexico, 100%)
WG Access Limited (United Kingdom, 100%)	WPP Content Ireland Unlimited Company (Ireland, 100%)
What Do You Know Limited (United Kingdom, 49.9%)	WPP Core Tech Limited (United Kingdom, 100%)
White Digital Pty Ltd (Australia, 61.5%)	WPP coretech-Germany GmbH & Co. KG (Germany, 100%)
Whizzbangart Hong Kong Ltd (Hong Kong, 100%)	WPP CP Finance plc (United Kingdom, 100%)
WhizzbangArt Ltd (Thailand, 99.94%)	WPP CP LLC (United States, 100%)
WIA Digital Media Holding Company Limited (Hong Kong, 50%)	WPP Das Limited (United Kingdom, 100%) ⁵
Wildfire Word of Mouth Limited (United Kingdom, 50.1%)	WPP DC Pension Trustee Company Limited (United Kingdom, 100%)
Wilson Hartnell Public Relations Limited (Ireland, 100%) ¹	WPP Deutschland Holding GmbH & Co. KG (Germany, 100%)
Wire & Plastic Products Limited (United Kingdom, 100%)	WPP Deutschland Verwaltungs GmbH (Germany, 100%)
Wise Conclusion (United Kingdom, 100%)	WPP Direct Ireland Unlimited Company (Ireland, 100%)
Wit Ocean Limited (Hong Kong, 100%)	WPP Direct Ltd (United Kingdom, 100%)
Worldwide Mediacom México, S.A. de C.V. (Mexico, 100%)	WPP do Brasil - Participações Ltda (Brazil, 100%)
WPP (China) Management Co., Ltd. (China, 100%)	WPP Dotcom Holdings (Eight) (United Kingdom, 100%)
WPP (Porto Alegre) Participações Ltda (Brazil, 100%)	WPP Dotcom Holdings (Eight) LLC (United States, 100%)
WPP (Portugal) Sociedade Gestora de Participacoes Sociais Lda (Portugal, 100%)	WPP Dotcom Holdings (Eleven) (United Kingdom, 100%)
WPP (Thailand) Ltd (Thailand, 100%)	WPP Dotcom Holdings (Eleven) LLC (United States, 100%)
WPP 1178 (United Kingdom, 100%)	WPP Dotcom Holdings (Fifteen) (United Kingdom, 100%)
WPP 2005 Limited (United Kingdom, 100%) ^{1,5}	WPP Dotcom Holdings (Five) (United Kingdom, 100%)
WPP 2008 Limited (United Kingdom, 100%) ^{3,5}	WPP Dotcom Holdings (Four) (United Kingdom, 100%)
WPP 2012 Limited (Jersey, 100%) ⁵	WPP Dotcom Holdings (Fourteen) (United Kingdom, 100%)
WPP 2318 Limited (United Kingdom, 100%)	WPP Dotcom Holdings (Fourteen) LLC (United States, 100%)
WPP 2323 Limited (United Kingdom, 100%)	WPP Dotcom Holdings (Nineteen) (United Kingdom, 100%)
WPP 2709 Limited (United Kingdom, 100%) ⁵	WPP Dotcom Holdings (Nineteen) LLC (United States, 100%)
WPP 2828 Ltd (United Kingdom, 100%)	WPP Dotcom Holdings (One) (United Kingdom, 100%)
WPP 3YZ Participacoes Ltda. (Brazil, 100%)	WPP Dotcom Holdings (Seven) (United Kingdom, 100%)
WPP Accord Ireland Unlimited Company (Ireland, 100%)	WPP Dotcom Holdings (Seventeen) (United Kingdom, 100%)
WPP Air 1 (Ireland, 100%) ⁵	WPP Dotcom Holdings (Seventeen) LLC (United States, 100%)
WPP Air 2 Limited (Ireland, 100%)	WPP Dotcom Holdings (Six) (United Kingdom, 100%)
WPP Air 3 (Ireland, 100%) ⁵	WPP Dotcom Holdings (Six) LLC (United States, 100%)
WPP AMC Holdings (United Kingdom, 100%)	WPP Dotcom Holdings (Sixteen) LLC (United Kingdom, 100%)
WPP Ashley Square Holdings, Inc. (United States, 100%)	WPP Dotcom Holdings (Sixteen) LLC (United States, 100%)
WPP ATTICUS (United Kingdom, 100%)	WPP Dotcom Holdings (Ten) (United Kingdom, 100%)
	WPP Dotcom Holdings (Ten) LLC (United States, 100%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

WPP Dotcom Holdings (Thirteen) (United Kingdom, 100%)	WPP Holdings (Mauritius) Ltd (Mauritius, 100%) ¹
WPP Dotcom Holdings (Thirteen) LLC (United States, 100%)	WPP Holdings (New Zealand) Limited (New Zealand, 61.5%) ¹
WPP Dotcom Holdings (Three) (United Kingdom, 100%)	WPP Holdings (S) Pte. Ltd (Singapore, 100%)
WPP Dotcom Holdings (Three) LLC (United States, 100%)	WPP Holdings Brussels S.N.C. (Belgium, 100%)
WPP Dotcom Holdings (Twelve) (United Kingdom, 100%)	WPP Holdings Spain, S.L. (Spain, 100%)
WPP Dotcom Holdings (Twelve) LLC (United States, 100%)	WPP Hoxton Square Limited (United Kingdom, 75%)
WPP Dotcom Holdings (Twenty-One) LLC (United States, 100%)	WPP Ideal Participações Ltda (Brazil, 100%)
WPP Dotcom Holdings (Twenty-Two) LLC (United States, 100%)	WPP India Limited (United Kingdom, 100%)
WPP Dotcom Holdings (Two) (United Kingdom, 100%)	WPP Insight Ltd (United Kingdom, 100%)
WPP Dutch Holdings Limited (United Kingdom, 100%) ⁵	WPP Inteligência Participações S.A (Brazil, 100%)
WPP Enterprise Ltd (United Kingdom, 100%)	WPP Interflow Holding B.V. (Netherlands, 100%)
WPP Envoy Ireland Unlimited Company (Ireland, 100%)	WPP International Holding B.V. (Netherlands, 100%)
WPP Evidências Participações Ltda. (Brazil, 100%)	WPP Investments Limited (United Kingdom, 100%)
WPP Finance (UK) (United Kingdom, 100%)	WPP Ireland Holdings Limited (Ireland, 100%)
WPP Finance 2010 (United Kingdom, 100%)	WPP Ireland Limited (Ireland, 100%)
WPP Finance 2013 (United Kingdom, 100%)	WPP Ireland UK (Ireland, 100%)
WPP Finance 2015 Limited (United Kingdom, 100%)	WPP Ireland US (Ireland, 100%)
WPP Finance 2016 (United Kingdom, 100%)	WPP Ireland US 2 Unlimited Company (Ireland, 100%)
WPP Finance 2017 (United Kingdom, 100%)	WPP James (United Kingdom, 100%)
WPP Finance Co. Limited (United Kingdom, 100%)	WPP Japan Holding B.V. (Netherlands, 100%)
WPP Finance Deutschland GmbH (Germany, 100%)	WPP Jargon Ltd (United Kingdom, 100%)
WPP Finance Holding SAS (France, 100%)	WPP Jüssi Participações Ltda. (Brazil, 100%)
WPP Finance One plc (United Kingdom, 100%)	WPP Kantar Participações Ltda. (Brazil, 100%)
WPP Finance SA (France, 100%)	WPP Kenneth Square Unlimited (United Kingdom, 100%)
WPP Finance Square LLC (United States, 100%)	WPP Kiev Square B.V. (Netherlands, 100%)
WPP Flame (United Kingdom, 100%)	WPP Knowledge (United Kingdom, 100%)
WPP France Holdings SAS (France, 100%)	WPP Kraken 2 B.V. (Netherlands, 100%)
WPP Frankfurt Square B.V. (Netherlands, 100%)	WPP Kraken B.V. (Netherlands, 100%)
WPP Global (United Kingdom, 100%)	WPP Lincoln Square B.V. (Netherlands, 100%) ¹
WPP Grey Holding Ecuador WPPGHE S.A. (Ecuador, 100%)	WPP LN Limited (United Kingdom, 100%)
WPP Group (Asia Pacific) Limited (Hong Kong, 100%)	WPP Luxembourg Beta Three Sarl (Luxembourg, 100%)
WPP Group (Nominees) Limited (United Kingdom, 100%)	WPP Luxembourg Beta Two Sarl (Luxembourg, 100%)
WPP Group (UK) Ltd (United Kingdom, 100%) ⁵	WPP Luxembourg Europe Sarl (Luxembourg, 100%) ¹
WPP Group Canada Communications Limited (Canada, 100%) ¹	WPP Luxembourg Europe Three Sarl (Luxembourg, 100%)
WPP Group Canada Finance, Inc. (Canada, 100%) ¹	WPP Luxembourg Europe Two Sarl (Luxembourg, 100%)
WPP Group Holdings Corp. II (United States, 100%)	WPP Luxembourg Gamma Five Sarl (Luxembourg, 100%)
WPP Group Holdings Limited (United Kingdom, 100%) ¹	WPP Luxembourg Gamma Four Sarl (Luxembourg, 100%)
WPP Group Holdings LLC (United States, 100%)	WPP Luxembourg Gamma Sarl (Luxembourg, 100%) ¹
WPP Group Management Inc. (United States, 100%) ¹	WPP Luxembourg Gamma Three Sarl (Luxembourg, 100%)
WPP Group MTV III Holding LLC (United States, 100%)	WPP Luxembourg Gamma Two Sarl (Luxembourg, 100%)
WPP Group Nominees Five Limited (United Kingdom, 100%)	WPP Luxembourg Germany Holdings 2 S.à r.l. (Luxembourg, 100%)
WPP Group Nominees Four Limited (United Kingdom, 100%)	WPP Luxembourg Germany Holdings 3 Sarl (Luxembourg, 100%) ¹
WPP Group Nominees One Limited (United Kingdom, 100%)	WPP Luxembourg Germany Holdings 4 Sarl (Luxembourg, 100%)
WPP Group Nominees Three Limited (United Kingdom, 100%)	WPP Luxembourg Germany Holdings 5 Sarl (Luxembourg, 100%)
WPP Group Nominees Two Limited (United Kingdom, 100%)	WPP Luxembourg Germany Holdings S.à r.l. (Luxembourg, 100%)
WPP Group Quebec Limited (Federal, 100%)	WPP Luxembourg Holdings Eight Sarl (Luxembourg, 100%)
WPP Group Services SNC (Belgium, 100%)	WPP Luxembourg Holdings Nine S.à r.l. (Luxembourg, 100%)
WPP Group Technology Services LLC (United States, 100%)	WPP Luxembourg Holdings Sarl (Luxembourg, 100%)
WPP Group U.S. Finance LLC (United States, 100%)	WPP Luxembourg Holdings Seven SARL (Luxembourg, 100%)
WPP GUSA UK (United Kingdom, 100%)	WPP Luxembourg Holdings Six SARL (Luxembourg, 100%)
WPP Headline (United Kingdom, 100%)	WPP Luxembourg Holdings Three Sarl (Luxembourg, 100%)
WPP Herald Square B.V. (Netherlands, 100%)	
WPP Holding Denmark A/S (Denmark, 100%)	
WPP Holdings (Australia) Pty Ltd (Australia, 61.5%)	
WPP Holdings (Holland) B.V. (Netherlands, 100%) ¹	

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

WPP Luxembourg Holdings Two Sarl (Luxembourg, 100%)
WPP Luxembourg iH 2001 Holdings Sarl (Luxembourg, 100%)
WPP Luxembourg Sarl (Luxembourg, 100%) ¹
WPP Luxembourg Square LLC (United States, 100%)
WPP Luxembourg Turris S.à r.l. (Luxembourg, 100%)
WPP Luxembourg US Holdings Sarl (Luxembourg, 100%)
WPP Madison Square B.V. (Netherlands, 100%)
WPP Madrid Square Limited (United Kingdom, 100%) ⁵
WPP Magic Limited (United Kingdom, 100%) ⁵
WPP Management Services (Holland) B.V. (Netherlands, 100%)
WPP Máquina Participações Ltda (Brazil, 100%)
WPP Margipe Participações Ltda. (Brazil, 100%)
WPP Marketing Communications (Hong Kong) Limited (Hong Kong, 100%) ¹
WPP Marketing Communications (Italy) Srl (Italy, 100%)
WPP Marketing Communications (Malaysia) Sdn Bhd (Malaysia, 84.8%)
WPP Marketing Communications (Pvt) Ltd (Pakistan, 100%)
WPP Marketing Communications (Thailand) Ltd. (Thailand, 100%)
WPP Marketing Communications Germany GmbH (Germany, 100%)
WPP Marketing Communications GK (Japan, 100%)
WPP Marketing Communications Holdings Limited (United Kingdom, 100%)
WPP Marketing Communications Inc (Philippines, 100%) ¹
WPP Marketing Communications India Pvt. Ltd. (India, 100%)
WPP Marketing Communications Spain (United Kingdom, 100%)
WPP Marketing Communications Vietnam Company Limited (Vietnam, 100%)
WPP Media Holdings GmbH (Germany, 100%)
WPP Media Ltd (Vietnam, 99%)
WPP México, S.R.L. de C.V. (Mexico, 100%)
WPP Mídia Participações S.A (Brazil, 100%)
WPP Minotaur B.V. (Netherlands, 100%)
WPP Montreal Ltd (United Kingdom, 100%)
WPP Netherlands B.V. (Netherlands, 100%)
WPP No. 2356 Limited (United Kingdom, 100%)
WPP North Atlantic Limited (United Kingdom, 100%) ⁵
WPP Norway AS (Norway, 100%)
WPP Ontario Square BV (Netherlands, 100%)
WPP Ottawa Ltd (United Kingdom, 100%)
WPP Pearls Limited (United Kingdom, 100%)
WPP Pension Trustees Limited (United Kingdom, 100%)
WPP Percy Limited (United Kingdom, 50.1%)
WPP Pershing Square, LLC (United States, 100%)
WPP Phoenix 2004 (United Kingdom, 100%)
WPP Phoenix Limited (United Kingdom, 100%)
WPP Phoenix Three Limited (United Kingdom, 100%)
WPP Phoenix Two Limited (United Kingdom, 100%)
WPP Pmweb Participações Ltda (Brazil, 100%)
WPP Portugal - Servicos Partihados, Unipessaoal, Lda (Portugal, 100%)
WPP Properties (United States, 100%)
WPP Protea Investment Holdings (Pty) Limited (South Africa, 33.33%) ¹

WPP Purgos Orië B.V. (Netherlands, 100%)
WPP Purgos Two B.V. (Netherlands, 100%)
WPP Quebec Square S.a r.l. (Luxembourg, 100%)
WPP Rio Square BV (Netherlands, 100%)
WPP Rocky Ltd (United Kingdom, 100%)
WPP Salisbury Square B.V. (Netherlands, 100%)
WPP Saudi Arabia LLC (Saudi Arabia, 60%)
WPP Scangroup Limited (Kenya, 50.1%)
WPP Second, S. de R.L. de C.V (Mexico, 100%)
WPP Service GmbH (Germany, 100%)
WPP SERVICES SPAIN SL (Spain, 100%)
WPP Sheridan Square B.V. (Netherlands, 100%)
WPP Sigma Limited (United Kingdom, 100%)
WPP Simcoe Square Ltd (Canada, 100%)
WPP Singapore Pte Ltd (Singapore, 100%)
WPP Socrates BV (Netherlands, 100%)
WPP Sparkle Limited (United Kingdom, 100%) ¹
WPP Sparky Limited (United Kingdom, 100%)
WPP Sphinx Limited (United Kingdom, 100%)
WPP Spike Limited (United Kingdom, 100%) ⁵
WPP Square one B.V (Netherlands, 100%)
WPP Superior Square BV (Netherlands, 100%) ¹
WPP Sweden AB (Sweden, 100%)
WPP Team Chemistry LLC (United States, 100%)
WPP TNS US S.a.r.l. (Luxembourg, 100%)
WPP Toronto Ltd (United Kingdom, 100%) ¹
WPP Try Participações Ltda (Brazil, 100%)
WPP UK Holdings Ltd (Ireland) (Ireland, 100%) ¹
WPP Unicorn Limited (United Kingdom, 100%) ¹
WPP Union Square Sarl (Luxembourg, 100%)
WPP US Investments BV (Netherlands, 100%) ¹
WPP US Investments Limited (United Kingdom, 100%)
WPP Vancouver Ltd (United Kingdom, 100%) ¹
WPP Ventures, Inc. (United States, 100%)
WPP Washington Square B.V. (Netherlands, 100%)
WPP/ROUSE PROPERTY MANAGEMENT LLC (United States, 50%)
WPPiH 2001, Inc. (United States, 100%) ¹
WPP-Memeza Holding (Proprietary) Limited (South Africa, 83.26%)
WSH Investment Holdings Proprietary Limited (South Africa, 46.7%)
Wunderman A/S (Denmark, 51%)
Wunderman Advertising SA (Greece, 100%)
Wunderman Asia Holdings Pte Ltd (Singapore, 66.66%)
Wunderman Brasil Comunicações Ltda (Brazil, 90%)
Wunderman Cato Johnson (Portugal) Lda - Servicos de Comunicacao Directa, LDA (Portugal, 100%)
Wunderman Cato Johnson Nominees Limited (United Kingdom, 100%)
Wunderman Cato Johnson S.A. (Argentina, 51%)
Wunderman Chile Consultoría y Comunicaciones SpA (Chile, 100%)
Wunderman Data Management, LLC (United States, 100%)
Wunderman GmbH 35627 (Germany, 100%)
Wunderman GmbH 84045 (Germany, 100%)

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Wunderman Helsinki Oy Ltd (Finland, 100%)	Y&R Latin American Holding Co. (United States, 100%)
Wunderman India Pvt Ltd (India, 26.67%)	Y&R Limited (New Zealand, 61.5%)
Wunderman International Philippines Inc (Philippines, 100%)	Y&R Mongolia LLC (Mongolia, 60%) ¹
Wunderman Kft (Hungary, 100%)	Y&R PARTNER THREE L.L.C. (United States, 100%)
Wunderman Limited (United Kingdom, 100%)	Y&R Philippines Inc (Philippines, 59.63%)
Wunderman LLC (Egypt, 54%)	Y&R Propaganda Ltda (Brazil, 90%)
Wunderman LLC (Russia) (Russia, 70%)	Y&R Properties Holdings One LLC (United States, 100%)
Wunderman LLC (UAE) (United Arab Emirates, 26.46%)	Y&R Roma Srl (Italy, 100%)
Wunderman Marketing (Pty) Ltd (South Africa, 83.26%)	Y&R SA (Peru, 100%)
Wunderman Oman - Diamonds Screen SOC (Oman, 54%)	Y&R SNC Holdings-II, L.L.C. (United States, 100%)
Wunderman Polska Sp. z o.o. (Poland, 100%)	Y&R Yangon Pte. Ltd (Singapore, 60%)
Wunderman Pte Ltd (Singapore, 66.66%)	Yello Brands (Sydney) Pty Ltd (Australia, 61.5%)
Wunderman Pty Ltd (Australia, 44.59%)	Yellow Edge Pty Ltd (Australia, 51.78%)
Wunderman PXP d.o.o. (Croatia, 75%)	Yolk Pte Ltd (Singapore, 51%)
Wunderman pxp GmbH (Austria, 60%)	Yonder Media Proprietary Ltd (South Africa, 65.5%)
Wunderman s.r.o. (Czech Republic, 100%)	York Merger Square 2004 LLC (United States, 100%)
Wunderman SARL (Morocco) (Morocco, 43.2%)	York Merger Square 2009 LLC (United States, 100%)
Wunderman SAS (France, 100%)	Young & Rubicam (Beijing) Advertising Co Ltd (China, 90%)
Wunderman SL (Spain, 100%)	Young & Rubicam (HK) Limited (Hong Kong, 100%)
Wunderman Srl (Italy, 100%)	Young & Rubicam (Portugal) - Publicidade, S.A. (Portugal, 100%)
Wunderman SRL de CV (Mexico, 100%)	Young & Rubicam (Portugal) - Sociedade Gestora de Participacoes Sociais Unipessoal, Lda (Portugal, 100%)
Wunderman Sweden AB (Sweden, 51%)	Young & Rubicam Advertising S.A. (Greece, 100%)
Wunderman Verwaltungs GmbH (Germany, 100%)	Young & Rubicam Amsterdam B.V. (Netherlands, 100%)
Wunderman WCJ FZ LLC (United Arab Emirates, 54%)	Young & Rubicam Belgium SPRL (Belgium, 100%)
Wunderman Worldwide, LLC (United States, 100%)	Young & Rubicam Brands Holding Pty Ltd (Australia, 61.5%)
Wumser Ogilvy & Mather Publicidad SA (Guatemala, 40%)	Young & Rubicam Brands Limited (Kenya, 42%)
WVI Marketing Communications Group B.V. (Netherlands, 100%)	Young & Rubicam Brands Ltda (Colombia, 100%)
Xaxis Asia Pacific Pte Ltd (Singapore, 100%)	Young & Rubicam Brands US Holdings (United Kingdom, 100%)
Xaxis Germany GmbH (Germany, 100%)	Young & Rubicam Budapest International Advertising Agency Kft (Hungary, 100%)
Xaxis Korea Inc (Republic of Korea, 100%)	Young & Rubicam Business Communications SA (Switzerland, 100%)
Xaxis Spain S.A. (Spain, 100%)	Young & Rubicam CZ s.r.o (Czech Republic, 100%)
Xaxis Switzerland S.A. (Switzerland, 100%)	Young & Rubicam Development (Holdings) Limited (United Kingdom, 100%)
Xaxis US, LLC (United States, 100%)	Young & Rubicam Europe Limited (United Kingdom, 100%)
Xaxis, Inc. (United States, 100%)	Young & Rubicam France SAS (France, 100%)
XM (United Kingdom, 100%)	Young & Rubicam GmbH 124027 (Germany, 100%)
XM Asia Pacific Pte Ltd (Singapore, 100%)	Young & Rubicam GmbH 86278 (Germany, 100%)
XM Expanded Media Sdn Bhd (Malaysia, 49%)	Young & Rubicam Group Germany GmbH (Germany, 100%)
XM Gulf LLC (Qatar, 49%)	Young & Rubicam Group Holdings Pty Ltd (Australia, 61.5%)
XM Hong Kong Limited (Hong Kong, 100%)	Young & Rubicam Group Limited (United Kingdom, 100%)
X-Prime Groupe SAS (France, 83.09%)	Young & Rubicam Group Netherlands B.V. (Netherlands, 100%)
Xtel Srl (Italy, 100%)	Young & Rubicam Group Pty Ltd (Australia, 61.5%)
Y & R Brazilian Holdings Limited (United Kingdom, 100%)	Young & Rubicam Holding AG (Switzerland, 100%)
Y & R Holdings (S.A.) (Pty) Limited (South Africa, 100%)	Young & Rubicam Holdings (UK) Limited (United Kingdom, 100%)
Y & R Management Beheer B.V. (Netherlands, 100%)	Young & Rubicam Holdings Limited (New Zealand, 61.5%)
Y & R Minority Holdings C.V. (Netherlands, 100%)	Young & Rubicam Inc. (United States, 100%) ¹
Y&R Asia Holdings Inc. (United States, 100%)	Young & Rubicam International Group B.V. (Netherlands, 100%)
Y&R Canada Investments LP (Canada, 100%)	Young & Rubicam LLC (Ukraine, 100%)
Y&R Denmark Holdings II APS (Denmark, 100%)	Young & Rubicam Nigeria Ltd (Nigeria, 70%)
Y&R Far East Holdings Inc. (United States, 100%)	Young & Rubicam of Puerto Rico Inc (Puerto Rico, 100%)
Y&R Group Pty Ltd (Australia, 61.5%)	Young & Rubicam Poland Sp. z o.o. (Poland, 100%)
Y&R Group Switzerland AG (Switzerland, 100%)	
Y&R Interactive 2.1 Ltd (Israel, 100%)	
Y&R Inversiones Publicitarias S.A. (Argentina, 100%)	
Y&R Italia Srl (Italy, 100%)	

Notes to the company income statement and balance sheet (continued)

For the year ended 31 December 2016

Young & Rubicam Praha s.r.o. (Czech Republic, 100%)
 Young & Rubicam Pty Ltd (Australia, 61.5%)
 Young & Rubicam Reklamcılık Reklamcilik LTD Sti (Turkey, 100%)
 Young & Rubicam S de RL de CV (Mexico, 100%)
 Young & Rubicam S.A. (Argentina, 51%)
 Young & Rubicam S.A. (Uruguay, 51%)
 Young & Rubicam South Africa (Proprietary) Limited (South Africa, 83.26%)
 Young & Rubicam Sweden AB (Sweden, 100%)
 Young & Rubicam Vienna GmbH (Austria, 100%)
 Young & Rubicam Zambia Ltd (Zambia, 39.97%)
 Young and Rubicam FZ LLC (United Arab Emirates, 49.2%)
 Young and Rubicam Hedley Byrne (Proprietary) Limited (South Africa, 83.26%)
 Záruguza CZ, s.r.o. (Czech Republic, 23.25%)
 Záruguza, s.r.o. (Slovakia, 23.25%)
 ZBT Europe Ltd (United States, 23.34%)

Zdology Market Research & Consulting Ltd (China, 70%)
 ZEG-Zentrum für Epidemiologie und Gesundheitsforschung Berlin GmbH (Germany, 74.34%)
 Zenith Media Ltd (Myanmar, 100%)
 Zenith Media Sdn Bhd (Malaysia, 49%)
 Zonza Limited (United Kingdom, 63.72%)
 Zoom Advertising Cape Town (Proprietary) Limited (South Africa, 40.3%)
 Zum goldenen Hirschen Alster GmbH (Germany, 49%)
 Zum Goldenen Hirschen Berlin GmbH (Germany, 49%)
 Zum goldenen Hirschen Dammtor GmbH (Germany, 49%)
 Zum Goldenen Hirschen Frankfurt GmbH (Germany, 49%)
 Zum Goldenen Hirschen GmbH (Germany, 49%)
 Zum goldenen Hirschen Köln GmbH (Germany, 39.2%)
 Zum Goldenen Hirschen München GmbH (Germany, 44.93%)
 Zum goldenen Hirschen Stuttgart GmbH (Germany, 48.02%)
 Zum roten Hirschen GmbH (Germany, 49%)

Notes to the company income statement and balance sheet (continued)
For the year ended 31 December 2016

Notes:

- ¹ – Ownership held in ordinary and preference shares
- ² – Ownership held in preference shares
- ³ – Ownership held in ordinary and deferred shares
- ⁴ – Ownership held in ordinary, preference and deferred shares
- ⁵ – Ownership directly held by WPP Jubilee Limited

Independent auditor's report
As at 31 December 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WPP JUBILEE LIMITED

We have audited the financial statements of WPP Jubilee Limited for the year ended 31 December 2016 which comprise Consolidated and Parent Company Income Statements, the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Balance Sheets, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity and the related notes 1 to 41. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2016 and of the group's profit and the parent company's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Separate opinion in relation to IFRSs as issued by the IASB

As explained in Note 1 to the group financial statements, the group in addition to applying IFRSs as adopted by the European Union, has also applied IFRSs as issued by the International Accounting Standards Board (IASB).

In our opinion the group financial statements comply with IFRSs as issued by the IASB.

Independent auditors' report (continued)

As at 31 December 2016

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

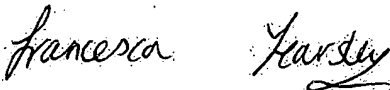
- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.



Francesca Yearsley (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
23 June 2017