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WPP Holding Denmark A/S Central Business Registration No 56873619 Strandboulevarden 122, 5 2100 Copenhagen Ø

Annual report 2015

The Annual General Meeting adopted the annual report on 15.06.2016

Chairman of the General Meeting

Name: Lars Petersen

Contents

	Page
Entity details	1
Statement by Management on the annual report	2
Independent auditor's reports	3
Management commentary	5
Accounting policies	6
Income statement for 2015	10
Balance sheet at 31.12.2015	11
Statement of changes in equity for 2015	13
Notes	14

Entity details

Entity

WPP Holding Denmark A/S Strandboulevarden 122, 5 2100 Copenhagen Ø

Central Business Registration No: 56873619

Registered in: Copenhagen

Financial year: 01.01.2015 - 31.12.2015

Board of Directors

Jonas Hemmingsen, Chairman Pia Hoelgaard Torben Snowman Anders Hviid Schack

Executive Board

Anders Hviid Schack, Chief Executive Officer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 Postbox 1600 0900 Copenhagen C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of WPP Holding Denmark A/S for the financial year 01.01.2015 - 31.12.2015.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 15.06.2016

Executive Board

Anders Hviid Schack Chief Executive Officer

Board of Directors

Jonas Hemmingsen Chairman Pia Hoelgaard

Torben Snowman

Anders Hviid Schack

Independent auditor's reports

To the owner of WPP Holding Denmark A/S

Report on the financial statements

We have audited the financial statements of WPP Holding Denmark A/S for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Independent auditor's reports

Copenhagen, 15.06.2016

Deloitte

Statsautoriseret Revisionspartnerselskab Central Business Registration No 33963556

Kim Mücke Morten Jarlbo

State Authorised Public Accountant

State Authorised Public Accountant

Management commentary

Primary activities

The Company's primary activity consists of investments in subsidiaries and one associate.

In addition, the Company renders administrative services to group enterprises.

Furthermore, the Company is a management company for the Danish WPP joint taxation.

Development in activities and finances

Profit for the year amounts to DKK 10,135 thousand which is deemed satisfactory.

Financial matters

The Company's equity is positive by DKK 8,315 thousand.

The Company has sufficient cash flow as well as an opportunity to obtain further liquidity from group companies.

The Company participates in and is the administrative company for the Danish WPP cash pool scheme.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Outlook

The Company expects a continued profit for 2016.

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B.

Referring to Section 112(1) of the Danish Financial Statements Act, WPP Holding Denmark A/S has not prepared consolidated financial statements.

From 2015, the Company manages the Danish WPP companies' IT service activities and the procurement activities have been shut down. Accordingly, 2014 and 2015 figures are not fully comparable.

The accounting policies applied for these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year. Value adjustments of financial assets and liabilities are recognised in the income statement as financial income or financial expenses.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange rate differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Income statement

Other operating income

Other operating income comprises fee from group companies for administrative and IT services rendered to Danish WPP companies.

Other external expenses

Other external expenses comprise expenses for administration and IT services.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, etc for entity staff.

Income from investments in group enterprises

The Company's share of the enterprises' profits or losses is accounted for in the income statement.

Income from investments in associates

Income from investments in associates comprises dividends etc received from the individual associates in the financial year.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises and gains in foreign exchange.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises and losses in foreign exchange.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year.

The current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Deferred tax is recognised and measured applying the liability method on all temporary differences between the carrying amount and net tax value of assets and liabilities. The net tax value of the assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

The Company is jointly taxed with the other WPP entities in Denmark. The current Danish income tax is allocated among the jointly taxed Danish companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

WPP Holding Denmark A/S is the administration company in Denmark.

Balance sheet

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that in the balance sheet investments are measured at the pro rata share of the enterprises' equity.

Group enterprises with negative equity value are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method under equity.

Investments in subsidiaries are written down to the lower of recoverable amount and carrying amount.

Investments in associates

Investments in associates represent preference shares holding a 2% voting right.

In the event of the liquidation of the associate, preference shares take precedence over shares with the limitation that the amount to be obtained for the shares is not to exceed the face value of the shares and the unpaid accumulated dividend.

Investments are recorded in the balance sheet at cost.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less provisions for bad debts.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Cash

Cash comprises bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income statement for 2015

	Notes	2015 DKK	2014 DKK
Other operating income		11.143.032	1.109.707
Other external expenses		(12.056.911)	(847.906)
Gross profit/loss		(913.879)	261.801
Staff costs		(118.485)	(899.608)
Operating profit/loss		(1.032.364)	(637.807)
Income from investments in group enterprises		10.212.914	10.662.310
Income from investments in associates		794.200	794.250
Other financial income	1	163.382	524.128
Other financial expenses	2	(244.519)	(435.315)
Profit/loss from ordinary activities before tax		9.893.613	10.907.566
Tax on profit/loss from ordinary activities	3	240.979	133.233
Profit/loss for the year		10.134.592	11.040.799
Proposed distribution of profit/loss			
Retained earnings		10.134.592	11.040.799
		10.134.592	11.040.799

Balance sheet at 31.12.2015

	Notes	2015 DKK	2014 DKK
Investments in group enterprises		53.635.588	48.502.559
Investments in associates		79.425.000	79.425.000
Fixed asset investments	4	133.060.588	127.927.559
Fixed assets		133.060.588	127.927.559
Receivables from group enterprises		28.540.025	15.465.775
Other short-term receivables		938	10.403
Income tax receivable		239.781	69.976
Receivables		28.780.744	15.546.154
Cash		170.370.806	94.198.022
Current assets		199.151.550	109.744.176
Assets		332.212.138	237.671.735

Balance sheet at 31.12.2015

	Notes	2015 DKK	2014 DKK
Contributed capital	5	986.000	986.000
Retained earnings		7.328.706	(2.805.886)
Equity		8.314.706	(1.819.886)
Trade payables		1.225.578	0
Debt to group enterprises		320.597.517	239.146.621
Other payables		2.074.337	345.000
Current liabilities other than provisions		323.897.432	239.491.621
Liabilities other than provisions		323.897.432	239.491.621
Equity and liabilities		332.212.138	237.671.735
Contingent liabilities	6		
Transactions with related parties	7		
Consolidation	8		

Statement of changes in equity for 2015

	Contributed capital DKK	Retained ear- nings DKK	Total DKK
Equity beginning of year	986.000	(2.805.886)	(1.819.886)
Profit/loss for the year	0	10.134.592	10.134.592
Equity end of year	986.000	7.328.706	8.314.706

Notes

	2015 DKK	2014 DKK
1. Other financial income		
Financial income arising from group enterprises	163.379	524.117
Interest income	3	11
	163.382	524.128
	2015 DKK	2014 DKK
2. Other financial expenses		
Interest expenses	66.016	48.201
Exchange rate adjustments	29.541	1.499
Other financial expenses	148.962	385.615
	244.519	435.315
	2015	2014
2 Toy on audinous profit/logg for the year	<u>DKK</u>	<u>DKK</u>
3. Tax on ordinary profit/loss for the year	(220.781)	(124 502)
Current tax	(239.781)	(134.503)
Adjustment relating to previous years	(1.198) (240.979)	(133.233)
	(240.717)	(133.233)
		Investments in group en- terprises DKK
4. Fixed asset investments		
Cost beginning of year		208.575.333
Cost end of year		208.575.333
Impairment losses beginning of year		(160.072.774)
Share of profit/loss after tax		10.462.170
Dividend		(5.668.750)
Investments with negative equity depreciated over receivables		588.865
Other adjustments		(249.256)
Impairment losses end of year		(154.939.745)
Carrying amount end of year		53.635.588

Notes

	Registered in	Corpo- rate form	Equity interest	Equity DKK	Profit/loss DKK
Subsidiaries:					
Ogilvy Denmark A/S	Copenhagen	A/S	100,00	14.219.400	7.090.228
Mindshare A/S Hill + Knowton Strategi-	Copenhagen	A/S	100,00	24.040.712	3.088.872
es A/S J. Walter Thompson	Copenhagen	A/S	80,00	3.949.419	1.600.745
Copenhagen A/S	Copenhagen	A/S	100,00	(588.865)	(2.785.869)
GroupM Denmark A/S	Copenhagen	A/S	100,00	9.752.000	(215.000)
Intelligence Group ApS	Copenhagen	ApS	75,00	3.280.000	2.669.000

	Registered in	Equity interest
Associates:		
Hill & Knowlton Limited	London	80,00

The Company owns 80% of the share capital of Hill & Knowlton Limited, London. Since the shares represent only 2% of the total voting rights, the Company is not considered a subsidiary but is only regarded as an associate. The investment is valued at cost.

In the event of liquidation of the associate, preference shares take precedence over other shares with the limitation that the amount to be obtained for the shares is not to exceed the face value of the shares and the unpaid accumulated dividend.

	Number_	Par value DKK	Nominal value DKK
5. Contributed capital			
Shares	986	1.000,00	986.000
	986		986.000

6. Contingent liabilities

The Company participates in a Danish joint taxation arrangement with the Company serving as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from 1 July 2012 for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

Notes

A former employee in one of the Company's subsidiaries has taken legal action against the Company and the related subsidiary with regard to a claim about payment of compensation regarding a clause in the employment contract, dividend and bonus payments. The Company and its subsidiary reject the claim and have not recognized any liability in the financial statements at 31 December 2015.

7. Transactions with related parties

The Company renders administrative services and financing to and from group enterprises.

8. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

WPP plc., Queensway House, Hilgrove Street, St Helier, Jersey JEI I ES

The consolidated financial statements are available on www.wppinvestor.com