

CHAIRMAN

2014 was our tenth year since flotation.

M&C Saatchi has gone from 13 offices in 9 countries to 25 offices in 18 countries.

The number of companies and subsidiaries has grown from 31 to 78. The team has gone from 790 employees to 1,885.

In 2004, 100 M&C Saatchi shares cost £125. Since then, the 100 shares have received dividends of £37.97.

Meanwhile the share price has reached approximately 3 times the launch price, making the initial investment worth some £368.

Thus the original £125 has produced about £406.

During 2014, the numbers continued their upward march, revenues, profits and EPS all going in the right direction.

In New York and Delhi, we have copied our China model and bought a minority share in two highly respected local agencies, SS+K and February, respectively.

Almost all areas had a good 2014. UK revenues were up 9%. LIDA and Mobile performing particularly well. Europe revenues went up 15% , with profits up 54%. Stockholm and Berlin had record years. Italy and France also did well.

The loss of the David Jones account hit Australia with a 6% drop in revenue, but the recent excellent run of new business wins will more than make up the difference. We won Lexus, IAG and Cricket Australia.

Malaysia had another wonderful year. As did Singapore, LA, Cape Town and Johannesburg.

Since the year end we have joined forces with Ben-Natan Golan Advertising in Isreal to create M&C Saatchi Tel Aviv and with Santa Clara in Brazil to boost our Latin American presence.

May the next ten years be as successful!

Jeremy Sinclair

Chairman

25 March 2015