



MISSION

INTERIM RESULTS

for the six months ended 30 June 2019

CONTENTS

- Who we are
- 2019 operating highlights
- Financial overview
- New positioning
- Prospects



WHO WE ARE

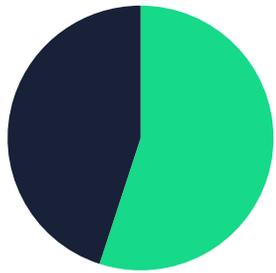


RELATIVE PERFORMANCE IN 2018

	WPP	PUBLICIS	IPG	DENTSU	MISSION
REVENUE GROWTH	-2.6%	1.0%	7.5%	6.3%	13.0%
LIKE FOR LIKE GROWTH	-0.4%	0.8%	5.5%	4.3%	5.0%
CHANGE IN MARGIN	-0.9%	0.6%	0.0%	-1.7%	1.0%

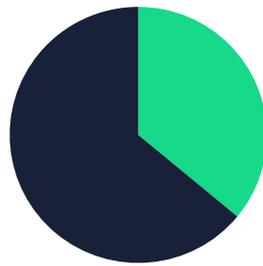


CLIENT RETENTION IS A KEY DIFFERENTIATOR



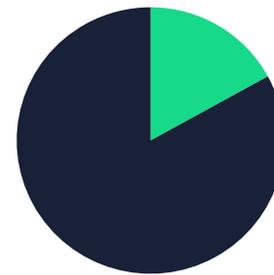
55%

5 years or more



36%

10 years or more



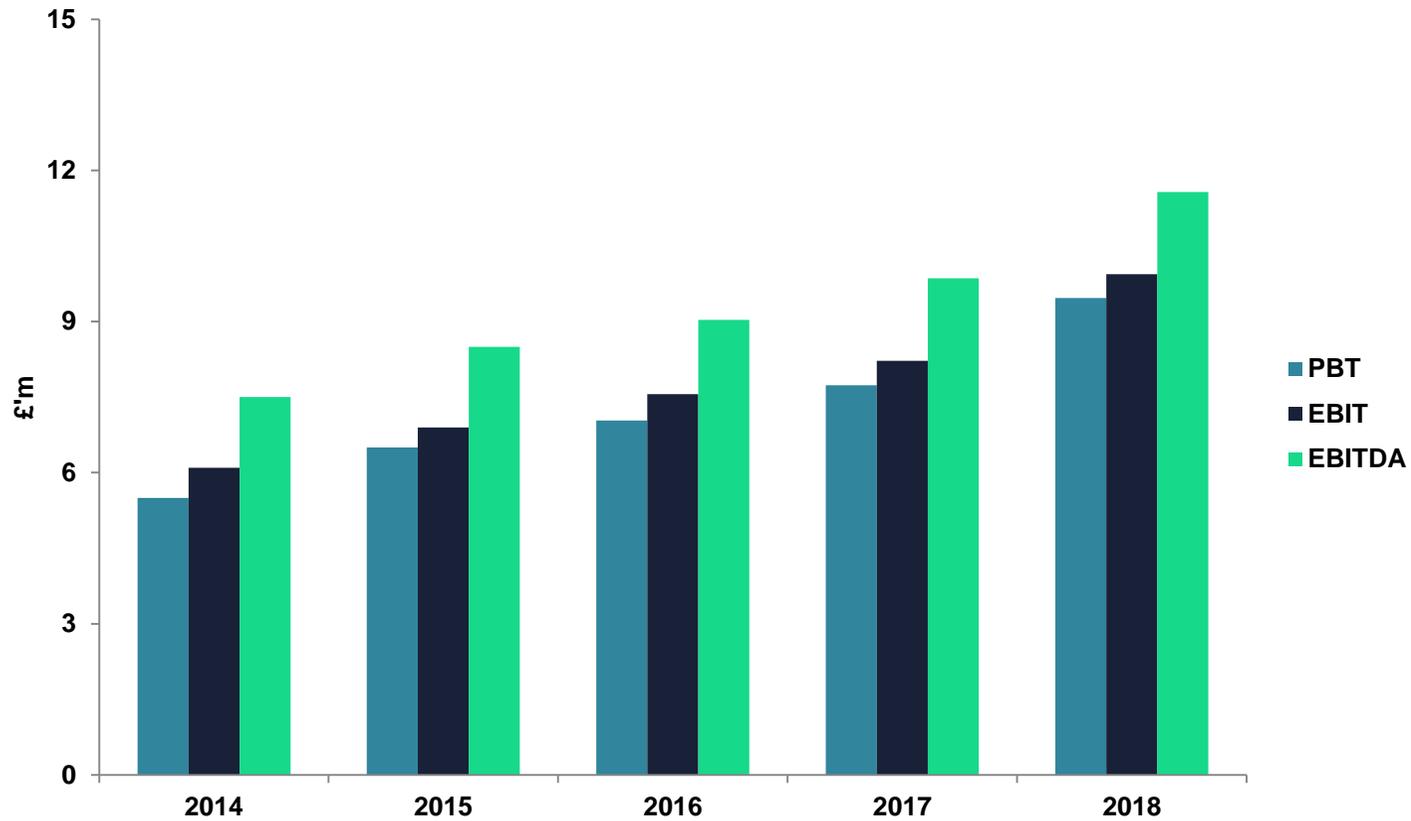
17%

20 years or more **

**Not all our Agencies are 20 years old. For those that are, this statistic is an astonishing 33%



STRONG TRACK RECORD



2019 OPERATING HIGHLIGHTS

Prestigious new business wins in H1

- Petro Canada Lubricants, Cummins Inc, Docker and Fuji Xerox

Expansion into Seattle, Chicago, Beijing and Munich in response to Client demand

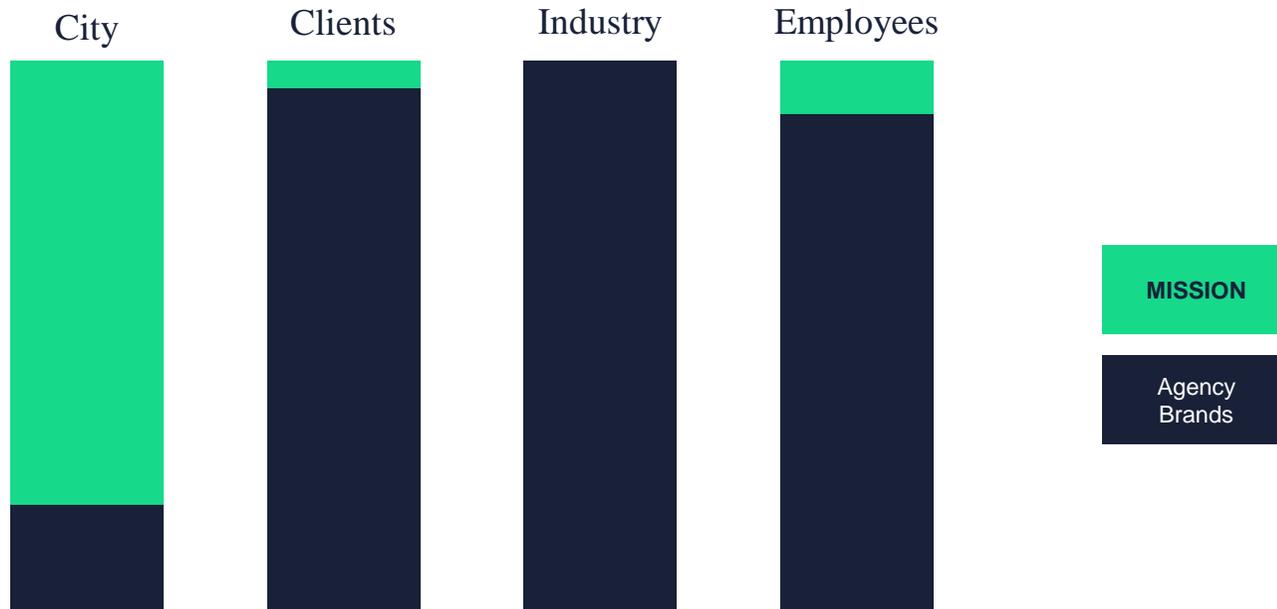
Pathfindr making good progress

fuse new product development

Recent new business wins demonstrate collaborative model



BUT THERE'S STILL MORE TO DO



We need to dial up **MISSION** profile



PROFIT AND LOSS (£'M)*

	2019	2018	%
Billings	<u>82.3</u>	<u>78.1</u>	+5%
Revenue	39.1	36.0	+9%
Operating expenses	<u>(35.5)</u>	<u>(32.6)</u>	
Headline operating profit	3.6	3.4	
Share of associates/JV	0.1	-	
Interest	<u>(0.3)</u>	<u>(0.4)</u>	
Headline PBT	3.4	3.1	+10%
Adjustments	<u>(1.0)</u>	<u>(0.6)</u>	
PBT	2.4	2.5	
Tax	<u>(0.6)</u>	<u>(0.5)</u>	
Earnings	<u>1.8</u>	<u>2.0</u>	
Diluted headline EPS (pence)	3.12	2.85	+9%
Dividend per share (pence)	0.77	0.70	+10%

*continuing operations only



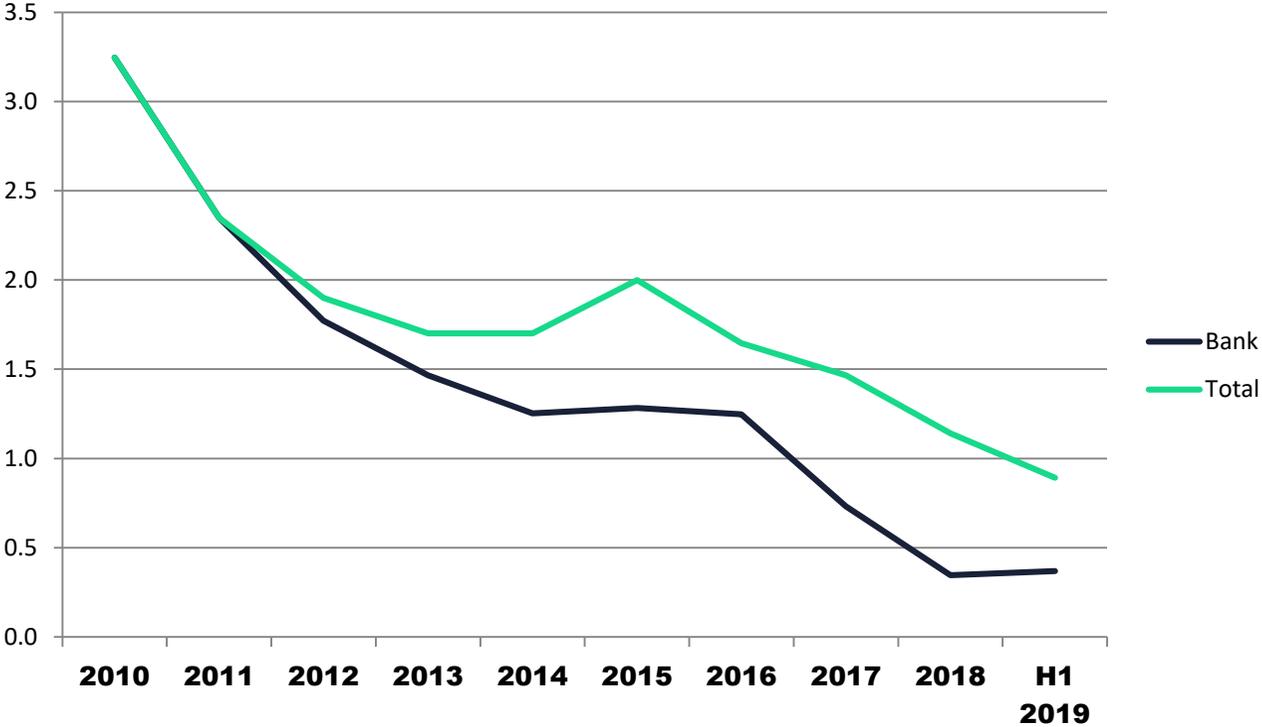
BALANCE SHEET (£'M)*

	H1 2019	H1 2018	Dec 2018
Intangibles	95.6	96.1	96.1
Fixed assets/investments	3.3	3.3	3.1
Working capital	7.4	3.8	6.0
Net bank debt	(5.1)	(7.8)	(4.0)
Earn-out obligations	(9.1)	(11.0)	(11.8)
Total net debt	(14.2)	(18.7)	(15.8)
Right of use assets	6.9	8.4	7.7
Lease liabilities	(7.6)	(9.3)	(8.5)
All others (mainly tax)	(1.5)	(1.4)	(1.0)
Net assets	<u>89.9</u>	<u>82.2</u>	<u>87.6</u>
“Old” bank debt leverage	x0.4	x0.7	x0.4
IFRS 16 bank debt leverage	x0.9	x1.3	x0.9
IFRS 16 total debt leverage	x1.4	x1.9	x1.6

*restated for IFRS 16: Leases



DEBT LEVERAGE* REMAINS COMFORTABLE



*all pre-IFRS 16



CASH FLOW (£'M)

	2019	2018
Headline operating profit	3.6	3.4
Add back depreciation	1.9	1.8
Less lease payments	<u>(1.2)</u>	<u>(1.2)</u>
EBITDA	4.3	4.0
Interest and tax	<u>(0.5)</u>	<u>(1.0)</u>
NORMALISED OPERATING CASH FLOW	3.8	3.0
Working capital	<u>(1.4)</u>	<u>(0.2)</u>
CASH FLOW FROM OPERATING ACTIVITIES	2.4	2.8
Trading profit from BroadCare	-	0.5
Acquisitions	(2.7)	(3.9)
Capex/software development	(0.6)	(0.3)
Shares sold by/(bought for) the EBT	(0.4)	0.3
All others	<u>-</u>	<u>(0.1)</u>
Increase in net bank debt	<u>(1.3)</u>	<u>(0.5)</u>



MISSION COMING INTO 2019

Fantastic Client base

- Some of the world's biggest names

Outstanding longevity of relationships

- Both Clients and Vendors (95%)

Culture of freedom within boundaries

Collaboration

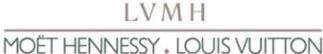
Track record

Already positioned where competitors want to be:

- Agile, responsive, real, local, empowered, empathetic, passionate, proven



CLIENTS



Over a third of our Clients have been with us for over **10** years.

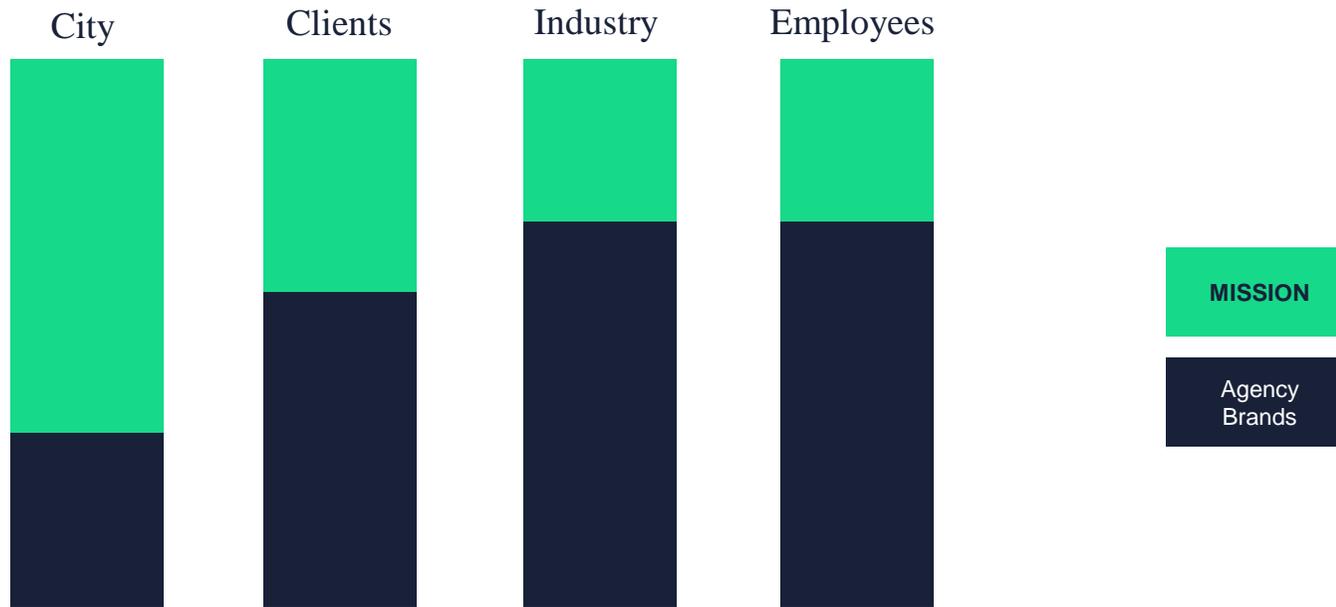


MISSION – WHAT WAS **MISSING**?

- Brand value in **MISSION** itself
- Strength of Client and staff association with **MISSION**
- **MISSION**-led new business activity



AMBITION



Still Agency-led but a greater promotion of the wider **MISSION** resources





MISSION

The alternative group for **ambitious brands.**

REPOSITIONING

- New **MISSION** launched to Clients, the industry and staff as a Group with a clear vision and clear values/beliefs
- Raising the profile of **MISSION** and putting **MISSION** at the heart of new business development
- Broadening out from marketing execution into trusted creative partnerships that deliver real business growth
- Change of company name to emphasise

**CLEAR DIFFERENTIATION FROM
OTHER AGENCY NETWORKS**



STRUCTURAL CHANGES

**FEWER,
LARGER
AGENCIES**

**KROW/BIGDOG
MERGER**

**STORY/ROBSON
BROWN/LEEDS
LAUNCH**

APRIL SIX/RLA

**RAISE THE PROFILE OF KEY
DISCIPLINES – PRIMARILY EVENTS, MEDIA**



REFINED BUSINESS STRUCTURE



HOW TO GAUGE SUCCESS

- **TANGIBLE - MEASURABLE**

- Turbo-charging what already exists = accelerated revenue growth through collaboration
- Preferred creative partner = satisfaction & referral ratings
- **MISSION**-led new business development
- Staff retention

- **INTANGIBLE**

- Raised profile/perceived brand value

PROSPECTS

2019

In line with expectations

Clients cautious but spending
nonetheless

MISSION's sector diversification
is a strength

**LONGER
TERM**

Top line growth

Margin improvement

Simpler, clearer structure

Pathfindr/fuse





THANK YOU