

## Appendix IV

### WPP GROUP PLC

#### Reconciliation of profit on ordinary activities before interest, taxation, fixed asset gains and write downs to PBIT for the six months ended 30 June 2003

	Six months ended 30 June 2003	Six months ended 30 June 2002	Year ended 31 December 2002
	£m	£m	£m
<b>Profit on ordinary activities before interest, taxation, fixed asset gains and write downs</b>	<b>190.6</b>	<b>217.2</b>	<b>302.5</b>
Goodwill amortisation and impairment	43.5	36.7	177.7
<b>Headline PBIT</b>	<b>234.1</b>	<b>253.9</b>	<b>480.2</b>
Net interest payable and similar charges	37.0	43.5	86.4
<b>Interest cover on headline PBIT</b>	<b>6.3 times</b>	<b>5.8 times</b>	<b>5.6 times</b>

	Six months ended 30 June 2003	Six months ended 30 June 2002	Year ended 31 December 2002
	£m	£m	£m
<b>Interest cover on headline PBIT (excluding FRS17 interest)</b>			
Headline PBIT	234.1	253.9	480.2
Net interest payable and similar charges on net borrowings	31.2	41.0	79.6
<b>Interest cover on headline PBIT (excluding FRS17 interest)</b>	<b>7.5 times</b>	<b>6.2 times</b>	<b>6.0 times</b>

#### Reconciliation of profit on ordinary activities before taxation to headline PBT and headline earnings for the six months ended 30 June 2003

	Six months ended 30 June 2003	Six months ended 30 June 2002	Year ended 31 December 2002
	£m	£m	£m
<b>Profit on ordinary activities before taxation</b>	<b>153.6</b>	<b>173.7</b>	<b>205.4</b>
Goodwill amortisation and impairment	43.5	36.7	177.7
Profits on disposal of fixed assets	-	-	(9.2)
Amounts written off fixed asset investments	-	-	19.9
Net interest charges on defined benefit pension schemes	5.8	2.5	6.8
<b>Headline PBT</b>	<b>202.9</b>	<b>212.9</b>	<b>400.6</b>
Taxation on profit on ordinary activities	(51.7)	(53.4)	(103.4)
Minority interests	(6.7)	(6.0)	(14.0)
<b>Headline earnings</b>	<b>144.5</b>	<b>153.5</b>	<b>283.2</b>
Ordinary dividends	24.5	20.0	62.5
<b>Dividend cover on headline earnings</b>	<b>5.9 times</b>	<b>7.7 times</b>	<b>4.5 times</b>