

Appendix IV

WPP GROUP PLC

**Reconciliation of profit on ordinary activities before interest, taxation and
amounts written off fixed asset investments to Headline PBIT for the six months ended 30 June 2004**

	Six months ended 30 June 2004	Six months ended 30 June 2003	Year ended 31 December 2003
	£m	£m	£m
Profit on ordinary activities before interest, taxation and amounts written off fixed asset investments	213.7	190.6	421.5
Goodwill amortisation and impairment	51.0	43.5	112.0
Headline PBIT	264.7	234.1	533.5
Net interest payable and similar charges	35.4	37.0	71.6
Interest cover on Headline PBIT	7.5 times	6.3 times	7.5 times

	Six months ended 30 June 2004	Six months ended 30 June 2003	Year ended 31 December 2003
	£m	£m	£m
Interest cover (excluding FRS17 interest) on Headline PBIT			
Headline PBIT	264.7	234.1	533.5
Net interest payable and similar charges on net borrowings	30.0	31.2	60.1
Interest cover (excluding FRS17 interest) on Headline PBIT	8.8 times	7.5 times	8.9 times

**Reconciliation of profit on ordinary activities before taxation
to Headline PBT and Headline earnings for the six months ended 30 June 2004**

	Six months ended 30 June 2004	Six months ended 30 June 2003	Year ended 31 December 2003
	£m	£m	£m
Profit on ordinary activities before taxation	176.3	153.6	349.9
Goodwill amortisation and impairment	51.0	43.5	112.0
Amounts written off fixed asset investments	2.0	-	-
Net interest charges on defined benefit pension schemes	5.4	5.8	11.5
Headline PBT	234.7	202.9	473.4
Taxation on profit on ordinary activities	(60.6)	(51.7)	(122.1)
Minority interests	(9.8)	(6.7)	(19.4)
Headline earnings	164.3	144.5	331.9
Ordinary dividends	29.4	24.5	76.8
Dividend cover on Headline earnings	5.6 times	5.9 times	4.3 times