

INSIDER'S REPORT



ROBERT COEN PRESENTATION
ON ADVERTISING EXPENDITURES
DECEMBER 2005

*Universal*McCANN





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UNIVERSAL MCCANN NOW EXPECTS U.S. ADVERTISING IN 2005 TO TOTAL \$276.0 BILLION FOR A GAIN OF 4.6% OVER 2004, WITH OVERSEAS SPENDING INCREASING BY 5.0% TO \$293.8 BILLION, BRINGING TOTAL WORLDWIDE ADVERTISING EXPENDITURES TO \$569.8 BILLION FOR A GAIN OF 4.8% OVER 2004.

ON DECEMBER 6, 2004 THE OUTLOOK WAS FOR ANOTHER YEAR OF MODERATELY GOOD U.S. ECONOMIC GROWTH IN 2005 WITH A CONSENSUS FORECAST OF 5.5% GROWTH IN NOMINAL GDP. IN THE PAST, ADVERTISING GROWTH OUTPACED ECONOMIC GROWTH ONCE A SUSTAINED ECONOMIC EXPANSION APPEARED FOLLOWING A RECENT RECESSION. LAST YEAR WE FORECAST THAT U.S. ADVERTISING WOULD INCREASE 6.4% IN 2005, BUT NOW IT IS APPARENT THAT U.S. AD GROWTH IN 2005 WILL FALL BELOW OUR YEAR-AGO EXPECTATIONS.

LAST DECEMBER WE ALSO EXPECTED IMPROVEMENT IN THE OVERSEAS ECONOMIC TRENDS AND FORECAST A GROWTH OF 5.8% FOR OVERSEAS ADVERTISING IN 2005, BUT NOW EXPECT A GAIN OF 5.0%. COMBINED WORLDWIDE ADVERTISING WAS EXPECTED TO RISE BY 6.1%

IN 2005, BUT IT IS NOW EVIDENT THAT U.S. AD GROWTH WILL FALL CONSIDERABLY SHORT OF OUR YEAR-AGO EXPECTATION AND OVERSEAS ADVERTISING WILL ALSO BE LESS THAN WE EXPECTED A YEAR AGO. THE PRESENTLY PROJECTED 2005 WORLDWIDE AD GROWTH OF 4.8% IS TURNING OUT TO BE CONSIDERABLY LOWER THAN EXPECTED A YEAR AGO.

Next year we look for better advertising growth in the U.S.. In the upcoming even-numbered year of 2006 the difficulties and expenses of complying with Sarbanes-Oxley should moderate. Uncertainties and cautiousness should diminish and more risk taking with built up corporate resources should increase the demand for advertising time and space. In the First Quarter of 2006 the Super Bowl and the Winter Olympics will result in far better comparative ad gains than those posted in 2005. During the Spring, Summer and into the Fall, intense political contests for House and Senate seats will produce spikes in ad outlays, particularly for the broadcast media. We expect advertising to return to a growth rate about in line with the rate now expected for the total economy in 2006. A gain of 5.8% in U.S. advertising to \$292.0 billion is now forecast for 2006.

The 2006 outlook for the economies of most countries in the world is now expected to be as good as or better than this year's. The strongest economic growth is expected for China and other emerging Asian countries as well as key emerging countries in Latin America. The overseas total, assuming no change in exchange rates, is expected to rise 6.2% in 2006 to \$312.0 billion. In 2006 total worldwide advertising is expected to rise 6.0% to \$604.0 billion.



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Robert J. Coen, Senior Vice President, Director of Forecasting at Universal McCann made these predictions at the December 5, 2005 UBS Global Media Conference in New York City. This issue of the Universal McCann Insider's Report reviews the highlights of Bob's latest forecast.

IN 2005 THE U.S ECONOMY EXPANDED A LITTLE MORE THAN HAD BEEN EXPECTED A YEAR AGO, BUT U.S. ADVERTISING GROWTH HAS FAILED TO OUTPACE 2005'S NOMINAL GDP GROWTH OF 6.3%.

In 2005, National Marketers continued to be overly cautious despite the relative improvement in economic conditions. Company stock prices remained below previous highs and managements were strongly focused on improving profits. All expenses, including those for advertising, were firmly controlled in 2005. Strong resentment of recent high media price increases was widespread and, as ad demand slowed in the year following the Summer Olympics and Presidential election, the pressure for measurable evidence of the return on advertising investments grew. The growing influence of procurement officers and accountability emphasis resulted in many ad budget increases being denied. These and other forces combined to interrupt the expected renewal of strong advertising competition and the expansion in advertising spending.

2005 BUDGETS OF NATIONAL ADVERTISERS

	% Change Over 2004	2005 Projections (\$000,000)
4 TV Networks	+1.0%	\$16,880
Spot TV	-7.5	10,517
Cable TV	+ 15.0	18,888
Syndication TV	+ 3.3	3,792
Radio	+ 1.5	4,441
Magazines	+ 5.0	12,859
Newspapers	+ 1.5	7,743
CONSUMER MEDIA SUB-TOTAL	+ 3.7	75,120
Direct Mail	+ 8.5	56,627
Yellow Pages	+ 1.5	2,142
Internet	+ 15.0	7,881
Other National Media	+ 5.6	35,377
TOTAL NATIONAL	+ 6.0%	\$177,147

THE PROJECTION FOR TOTAL NATIONAL

ADVERTISING IN 2005 IS NOW \$177,147,000,000 FOR A GAIN OF 6.0% OVER 2004. When final Fourth Quarter revenue numbers for the broadcast TV Networks are in, it is expected that the full-year gain will be at best about one percent.

In 2004 the Summer Olympics contributed to the exceptional double-digit revenue growth of the networks last year; but this year there has been no extra Olympic advertising, and growth suffers in comparison with last year's spurt. National Spot Television revenues in 2004 were driven up by the exceptional political advertising activity, which is very low this year without any contests for House and Senate seats; and as a result, Spot TV is down sharply compared to last year.

Spending for advertising by National Advertisers was soft in 2005 in most media except for Cable Television, Direct Mail, and the Internet.

MOST MEDIA HAVE FAILED TO MAKE ANY MEANINGFUL GAINS IN ADVERTISING TIME AND SPACE SALES TO LOCAL MARKETERS THIS YEAR.

2005 EXPENDITURES OF ALL ADVERTISERS

	% Change Over 2004	2005 Projections (\$000,000)
Local Newspapers	+ 3.0%	\$40,155
Local TV	-3.0	14,072
Local Radio	+ 2.0	15,509
Local Yellow Pages	+ 2.0	12,130
Other Local Media	+ 5.7	16,996
TOTAL LOCAL	+ 2.3	98,862
TOTAL NATIONAL	+ 6.0	177,147
GRAND TOTAL	+ 4.6%	\$276,009

Most Local Retailers have reduced the share of their marketing budget spent on traditional media advertising. Expenditures for price promotion announcements distributed by mail or newspaper inserts have replaced a lot of Radio, Television, and Newspaper display ads. Increased sponsorship



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of Internet search links has also contributed to the slump in demand for traditional media time and space at the local level. Acquisitions of small local entrepreneurs by large national organizations have also shifted some funds from local to national buys.

In 2004, after three years of lagging growth, advertising finally grew at a faster pace than nominal GDP. In 2005 nominal GDP growth will be up 6.3% but the grand total for all advertising will be up only 4.6%. The advertising recovery has had a relapse.

The economy is expected to be reasonably healthy in 2006, and with next year's Winter Olympics and much higher political activity, the question now is whether advertising growth will return to a rate more in line with economic growth or whether this year's slippage will continue next year.

RECENT TRENDS AND EXPECTATIONS (Percent change over previous years)

							Forecast
	2000	2001	2002	2003	2004	2005	2006
Real GDP	+ 3.7	+ 0.8	+ 1.6	+ 2.7	+ 4.5	+ 3.5	+ 3.3
Consumer Prices	+ 3.4	+ 2.8	+ 1.6	+ 2.3	+ 2.7	+ 3.4	+ 3.1
Nominal GDP	+ 5.9	+ 3.2	+ 3.4	+ 4.8	+ 7.0	+ 6.3	+ 5.9
TOTAL ADVERTISING	+ 11.3	- 6.5	+ 2.4	+ 3.6	+ 7.4	+ 4.6	?

The Internet bubble began to spring a leak back in late 2000; but for the year in total, the surge in advertising spending continued and advertising grew 11.3% to far exceed the 5.9% growth in nominal GDP that year. In 2001, the economy slumped with virtually no real growth, and the impact on advertising was disastrous with a decline in spending of 6.5%. In 2002 and 2003 advertising continued to lag behind the economy despite a gradual improvement in real GDP growth.

In 2004 the economic recovery was well in place and there was considerable extra ad spending fostered by the Summer Olympics and the extraordinary political advertising activity of a Presidential election year. In 2004, with a sustain-

able economic recovery in place, the lagging advertising recovery finally made its appearance and ad growth outpaced economic growth.

In the past, when the return to higher ad spending has appeared, the trend continued for a number of years until the economic recovery ran out of steam. In 2005, despite reasonably good economic conditions, the advertising expansion faltered and, for the first time in recent history, failed to even keep pace with nominal GDP. There are many explanations for this unique development in 2005. Hopefully, further review of the practices of key marketers may provide clues about what has been happening this year and what may lie ahead in 2006.

TOP PRODUCT CATEGORY CHANGES

(Percent change - 1st 9 months 2005 vs. 1st 9 months 2004)

Category	TV Nat'l Networks*	Spot TV	Magazines	Totals
Automobiles	+ 4%	- 9 %	+ 1%	- 2%
Food	+ 2	- 18	+ 8	+ 1
Movies	+ 6	- 6	0	+ 2
Toiletries/Cosmetics	- 3	+ 17	+ 14	+ 4
Drugs/Remedies	- 2	- 8	+ 4	- 1
Beverages/Snacks	0	- 21	+ 31	+ 3
Restaurants	+ 13	- 1	+ 2	+ 7

*ABC, CBS, Fox, NBC, Pax, UPN, WB, Cable TV Networks & National TV Syndication

The Seven Top Categories account for a large portion of total U.S. advertising by National Marketers. These categories were very important in holding up ad demand during the years immediately following 2000 when the advertising recession occurred. In 2004 spending by these top users of advertising was up sharply, but so far this year their budget growth has been just barely up. This nine-month comparison is a bit distorted because of the extra large amounts spent in August 2004 as a result of the Summer Olympics in Greece. When all 12 months are included for both years, there will probably be a modest increase for the combined Top Categories.



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In 2006 the Winter Olympics will generate some extra spending for this group. However, unless something happens to markedly change conditions for the two largest categories, Automobiles and Drugs/Remedies, we cannot expect these most important users of advertising to contribute much improvement in advertising demand next year.

SECONDARY PRODUCT CATEGORY CHANGES

(Percent change - 1st 9 months 2005 vs. 1st 9 months 2004)

Category	TV Nat'l Networks*	Spot TV	Magazines	Totals
Telecommunications	+ 12%	- 20%	- 11%	0%
Computers	- 23	+ 2	- 17	- 20
Apparel	+ 7	- 28	+ 7	+ 7
Beer & Wines	- 3	- 21	+ 18	- 2
Resorts/Tours	+ 2	- 7	+ 14	+ 6
Airlines	+ 8	- 19	+ 32	+ 5
Insurance	+ 30	+ 19	- 18	+ 20

*ABC, CBS, Fox, NBC, Pax, UPN, WB, Cable TV Networks & National TV Syndication

During the first nine months of this year advertising spending by all of these Secondary Product Categories was only up 3%. When final full-year figures are available for both years, these trends will probably look a little better.

The advertising budgets of these Secondary Product Marketers should improve next year. However, it does not appear likely that the increase in advertising needs of these marketers will be strong enough to significantly move the U.S. media marketplace in 2006.

SELECTED SMALLER CATEGORY CHANGES

(Percent change - 1st 9 months 2005 vs. 1st 9 months 2004)

Category	TV Nat'l Networks*	Spot TV	Magazines	Totals
Liquor	+ 73%	- 37%	- 17%	- 3%
Cigarettes	- 88	- 89	- 38	- 40
Direct Response	+ 23	+ 6	+ 21	+ 21
Brokers/Mutual Funds	+ 3	- 57	- 4	- 3
Banks/S&L	+ 82	- 12	- 5	+ 21
Colleges/Universities	- 19	+ 1	+ 26	+ 3
Fitness/Diet Programs	- 4	- 2	+ 57	+ 1

*ABC, CBS, Fox, NBC, Pax, UPN, WB, Cable TV Networks & National TV Syndication

The Selected Smaller Categories in total increased their spending by 15% in the first nine months of this year. Most of the total gain was due to the increases in Direct Response advertising, now the single largest category in the group.

Advertising spending by Cigarette marketers is continuing to decline with no reason to believe it will not soon disappear completely.

We have added the Fitness/Diet category to eventually replace cigarettes. Many small marketers like the ones we have been tracking are continuing to maintain their advertising programs, but no outstanding new developments are clearly identified so far this year.

Our review of all of these marketing sectors indicates that the expected re-expansion in traditional media advertising has generally stalled in 2005, and no significant re-expansion in spending is yet clearly evident for 2006.

DOT.COM CONSUMER ADVERTISING CONTINUES TO GROW AND THESE NEW MARKETERS ARE EXPECTED TO EXPAND THEIR ROLE IN MEDIA AND MARKETING AGAIN NEXT YEAR.

CONSUMER MEDIA ADVERTISING BY DOT.COMS

(Percent change over prior year)

YEAR	AD EXPENDITURES	CHANGE
2000	\$5,597,000,000	+ 81.0%
2001	2,662,000,000	- 52.0
2002	2,150,000,000	- 19.0
2003	2,210,000,000	+ 2.8
2004	2,751,000,000	+ 24.0
2005	3,715,000,000	+ 35.0

Despite the sluggishness in budget growth for the largest users of advertising, there are signs that special sectors within these categories, like the dot.com marketers, have increased their spending



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in the traditional mass media while also undoubtedly raising budgets for their Internet promotional activities. In 2006 we expect these trends to continue to move upward.

Some of dot.com marketers' traditional media spending is already included in the product category groups examined. However, a cross-analysis of all three product category groupings indicates that the dot.com expansion in spending has not seriously affected any group. The gain in dot.com spending explains none of the changes in any of the categories examined. They are just relatively too small at present; and, if they were completely excluded, the changes would be about the same.

THE CHANGES IN NATIONAL MARKETERS' ADVERTISING SPENDING IN MANY OF THE TRADITIONAL MASS MEDIA HAVE BEEN MODEST IN 2005 BUT ONE EXCEPTION HAS BEEN MAIL ADVERTISING.

In 2004 the restriction on telemarketing – the “Do Not Call” regulation – started an upturn in mail advertising usage and the momentum continued into this year.

TREND IN MAIL ADVERTISING PIECES			
(Total Standard, Regular, and ECR)			
1ST HALF OF YEAR	MILLIONS OF PIECES	%CHANGE	CHANGE IN PIECES (000,000)
2000	36,800	+ 7.1	+ 2,400
2001	37,200	+ 1.1	+ 400
2002	35,300	-5.1	-1,900
2003	36,500	+ 3.5	+ 1,200
2004	39,600	+ 8.3	+ 3,100
2005	41,540	+ 4.9	+ 1,940

In the first half of calendar year 2005, the number of pieces of mail sent at the regular standard mail rate increased nearly 5%. This is the

mail class used for most advertising, although some is sent at first-class rates and some at non-profit rates. On an annualized basis nearly 10 billion more pieces of mail ads have been sent in 2005 compared to the year 2000.

This trend has been influenced by the telemarketing restrictions; but it is also another indication that marketers have, in recent years, focused their marketing resources on more immediate measurable short-term responses. We expect that many of these programs will be continued and even expanded in 2006 despite higher postal rates and higher paper, printing, and handling costs. However, if there are indications of any slippage in brand status, a shift back to longer term considerations could occur.

THE RECOVERY IN ADVERTISING HAS HISTORICALLY LAGGED BEHIND ECONOMIC RECOVERY. In 2004, there was a strong recovery in the economy and finally a gradual upward turn in advertising in relation to the economy. But in 2005 advertising as a percent of the economy fell back.

ADVERTISING AS A PERCENT OF GDP			
1990	2.24	1998	2.35
1991	2.14	1999	2.40
1992	2.12	2000	2.52
1993	2.12	2001	2.29
1994	2.17	2002	2.26
1995	2.23	2003	2.23
1996	2.28	2004	2.25
1997	2.30	2005	2.22
		2006	?

The fallback in “Advertising as a percent of GDP” that occurred in 2005 was unique. A number of special explanations could be put forward. The appearance of the Internet and the unrealistic



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surge in advertising demand through 2000 led to soaring media inflation which required time to correct; and, in 2005, following the high prices in the election/Olympic year of 2004, intensified cost cutting resumed. The Iraq War and the Sarbanes-Oxley Law contributed to uncertainty and caution, as did malingering stock prices. In addition there have been a number of consolidations at the local level and big discounters like Wal-Mart have pressed for more price discounts rather than joint promotional efforts heavily financed by manufacturers' allowances.

NATIONAL ADVERTISING HAS BEEN MORE CLOSELY CORRELATED WITH THE ECONOMY IN RECENT YEARS. The proportion of advertising's share of the economy that comes from Local Marketers has shifted.

ADVERTISING'S SHARE OF GDP

Year	From All Advertisers	From Local Advertisers	From National Advertisers
1995	2.23%	.92%	1.31%
1996	2.28	.94	1.34
1997	2.30	.94	1.36
1998	2.35	.96	1.39
1999	2.40	.98	1.42
2000	2.52	.98	1.54
2001	2.28	.88	1.40
2002	2.26	.87	1.39
2003	2.23	.85	1.38
2004	2.25	.83	1.42
2005	2.22	.80	1.42

The conditions at the local level have probably contributed much to the weakening in advertising's importance. In 2006, the Winter Olympics and the expected rebound in political activity plus a reasonably good economic climate should contribute to better advertising budget growth by National Marketers.

THE OUTLOOK FOR 2006 NATIONAL ADVERTISING

	% Change Over 2005	2006 Projections \$(000,000)
4 TV Networks	+ 6.5%	\$17,977
Spot TV	+ 8.5	11,411
Cable TV	+ 7.0	20,210
Syndication TV	+ 4.5	3,963
Radio	+ 4.0	4,619
Magazines	+ 5.5	13,566
Newspapers	+ 3.5	8,014
CONSUMER MEDIA SUB-TOTAL	+ 6.2	79,760
Direct Mail	+ 7.5	\$60,874
Yellow Pages	+ 3.0	2,206
Internet	+ 10.0	8,669
Other National Media	+ 6.4	37,650
TOTAL NATIONAL	+ 6.8%	\$189,159

Total National Advertising in 2006 is expected to increase at a slightly faster pace than it did in 2005. The rate of gain in spending by National Marketers for broadcast network television ads next year will be helped by the Winter Olympics and easy comparisons with 2005.

Heavy Spot TV advertising gains are anticipated next year because of the intense political contests that are due to occur in 2006.

Continued good growth in ad revenues is expected for the Cable TV Networks, for Mail ad programs and for Internet advertising in 2006.

In 2006 National Advertising growth should again outpace general economic growth, but only modest improvement at the local level appears likely.

THE OUTLOOK FOR TOTAL ADVERTISING 2006

	% Change Over 2005	2006 Projections \$(000,000)
Local Newspapers	+ 3.0%	\$41,360
Local TV	+ 4.5	14,705
Local Radio	+ 4.0	16,129
Local Yellow Pages	+ 3.0	12,494
Other Local Media	+ 6.8	18,158
TOTAL LOCAL	+ 4.0	102,846
TOTAL NATIONAL	+ 6.8	189,159
GRAND TOTAL	+ 5.8%	\$292,005



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Ad spending by Local Marketers is not expected to improve much in 2006 but the extra demand due to political spending will put some extra pressure on local media prices next year.

The combined spending for advertising next year by National and Local Marketers is now projected for a total of \$292.0 billion, a gain of 5.8% over 2005. Next year we expect U.S. advertising to approximately match the growth in the economy, but advertising as a percent of GDP will probably remain at the stalled 2005 levels.

GRADUAL ECONOMIC IMPROVEMENT IN A NUMBER OF OVERSEAS COUNTRIES IS EXPECTED TO CONTINUE IN 2006.

ECONOMIC TRENDS IN MAJOR MARKETS

(Percent change in real GDP over previous year)

COUNTRY	2004	2005	Forecast
			2006
United States	+ 4.2%	+ 3.5%	+ 3.3%
Canada	+ 2.9	+ 2.9	+ 3.0
Japan	+ 2.6	+ 2.0	+ 1.9
Germany	+ 1.6	+ 1.0	+ 1.5
United Kingdom	+ 3.1	+ 2.0	+ 2.3
France	+ 2.1	+ 1.5	+ 1.9
Italy	+ 1.0	0.0	+ 1.1
Brazil	+ 5.2	+ 3.3	+ 3.7
Mexico	+ 4.4	+ 3.5	+ 3.5
Australia	+ 3.2	+ 2.6	+ 3.0
South Korea	+ 4.6	+ 3.5	+ 4.3
Taiwan	+ 5.7	+ 3.5	+ 3.9
India	+ 5.1	+ 4.8	+ 5.3

The economies in most major markets expanded considerably in 2004 and then moderated a bit in 2005. Most forecasts now indicate that there will be a return to stronger economic expansion next year in most developed parts of the world, although the pace in Western Europe is expected to remain subdued and somewhat fragile.

2005 AD OUTLOOK IN KEY INDUSTRIALIZED COUNTRIES

(Percent change over prior year in nominal currencies)

COUNTRY	2004	2005	Forecast
			2006
Japan	+ 3.0%	+ 1.6%	+ 1.3%
Australia	+ 12.0	+ 6.0	+ 4.3
Germany	+ 1.4	+ 0.8	+ 2.6
United Kingdom	+ 7.0	+ 4.0	+ 4.0
France	+ 4.0	+ 3.0	+ 2.5
Netherlands	- 0.9	+ 6.1	+ 5.0
Italy	+ 8.1	+ 2.0	+ 3.1
Spain	+ 10.8	+ 8.5	+ 5.0
Canada	+ 4.8	+ 3.5	+ 3.5
Argentina	+ 24.0	+23.0	+ 15.0
Brazil	+ 22.1	+ 17.7	+ 23.0
Mexico	- 1.0	+ 5.0	+10.0

We do not expect outstanding, across-the-board advertising growth in these countries in 2006 but there are indications of advertising improvement in some key countries.

2005 AD OUTLOOK IN OTHER SELECTED COUNTRIES

(Percent change over prior year in nominal currencies)

COUNTRY	2004	2005	Forecast
			2006
Belgium	+ 7.5%	+ 4.0%	+ 5.0%
Greece	+ 13.0	+ 5.0	+ 7.0
Finland	+ 6.5	+ 4.5	+ 4.0
Indonesia	+ 26.0	+ 15.0	+ 15.0
China	+ 43.0	+ 18.0	+ 20.0
Czech Republic	+ 0.6	+ 3.9	+ 4.3
Slovakia	+ 41.1	+ 28.0	+ 25.0
Poland	+ 11.0	+ 4.0	+ 5.0
Russia	+ 54.0	+ 11.0	+ 32.0
Portugal	+ 4.0	- 7.0	- 4.0
South Korea	+ 20.0	+ 10.0	+ 10.0
Taiwan	+ 5.0	- 3.0	+ 2.0
India	+ 13.0	+ 11.0	+13.0



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Many of these selected countries enjoyed enormous increases in ad spending in 2004 and for many double-digit gains occurred again in 2005. In 2006, the advertising industry in most of these countries will again grow at an above-average pace.

In 2006, global ad spending should again be helped by large spending increases in many of the largest developing parts of the world as free market consumer economies rise throughout the world.

Considerable turmoil and extreme changes are in sight for next year, but many will counterbalance one another. The worldwide advertising industry on a consolidated basis is not expected to boom in 2006 but it is not likely to suffer a bust either.

Robert J. Coen

Senior Vice President, Director of Forecasting
December 5, 2005

WORLDWIDE AD GROWTH: 1990-2006

	U.S.A.		OVERSEAS		TOTAL WORLD	
	BILLION US\$	% CHANGE	BILLION US \$	% CHANGE	BILLION US\$	% CHANGE
1990	\$130.0	+ 3.9%	\$145.9	+ 11.8%	\$275.9	+ 7.9%
1991	128.4	- 1.2	153.9	+ 5.5	282.3	+ 2.3
1992	133.8	+ 4.2	165.4	+ 7.5	299.2	+ 6.0
1993	141.0	+ 5.4	163.2	- 1.3	304.2	+ 1.7
1994	153.0	+ 8.6	179.0	+ 9.7	332.0	+ 9.1
1995	165.1	+ 7.9	205.9	+ 15.0	371.0	+ 11.7
1996	178.1	+ 7.9	212.1	+ 3.0	390.2	+ 5.2
1997	191.3	+ 7.4	210.0	- 1.0	401.3	+ 2.8
1998	206.7	+ 8.0	205.2	- 2.3	411.9	+ 2.6
1999	222.3	+ 7.6	213.8	+ 4.2	436.1	+ 5.9
2000	247.5	+ 11.3	226.8	+ 6.1	474.3	+ 8.8
2001	231.3	- 6.5	209.6	- 8.6	440.9	- 7.9
2002	236.9	+ 2.4	213.6	+ 1.9	450.5	+ 2.2
2003	245.5	+ 3.6	244.4	+ 14.4	489.9	+ 8.7
2004	263.8	+ 7.4	279.8	+ 14.5	543.6	+ 11.0
2005*	276.0	+ 4.6	293.8	+ 5.0	569.8	+ 4.8
2006*	292.0	+ 5.8	312.0	+ 6.2	604.0	+ 6.0

* In current local currencies

Universal McCann forecasts worldwide advertising growth in 2006 of 6.0%, assuming no change in exchange rates. If foreign currencies depreciate relative to the U.S. dollar then these local currency gains and dollar conversions will be reduced.

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