SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

Annual Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

For the fiscal year ended	Commission file number
December 31, 1997	1-6686

THE INTERPUBLIC GROUP OF COMPANIES, INC.
(Exact name of registrant as specified in its charter)

Delaware	13-1024020
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1271 Avenue of the Americas	10020
New York, New York	(Zip Code)
(Address of principal executive offices)	

(212) 399-8000
Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X . No ___.

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (Section 229.405 of this chapter) is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. X .

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The aggregate market value of the registrant's voting stock (exclusive of shares beneficially owned by persons referred to in response to Item 12 hereof) was $7,849,666,419 as of March 23, 1998.

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

Common Stock outstanding at March 23, 1998: 131,754,675 shares.

DOCUMENTS INCORPORATED BY REFERENCE

1. Portions of the Annual Report to Stockholders for the year ended December 31, 1997 are incorporated by reference in Parts I and II.

2. Portions of the Proxy Statement for the 1998 Annual Meeting of Stockholders are incorporated by reference in Parts I and III.

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PART I

Item 1. Business

The Interpublic Group of Companies, Inc. was incorporated in Delaware in September 1930 under the name of McCann-Erickson Incorporated as the successor to the advertising agency businesses founded in 1902 by A.W. Erickson and in 1911 by Harrison K. McCann. It has operated under the Interpublic name since January 1961. As used in this Annual Report, the "Registrant" or "Interpublic" refers to The Interpublic Group of Companies, Inc. while the "Company" refers to Interpublic and its subsidiaries.

The advertising agency business is the primary business of the Company. This business is conducted throughout the world through three advertising agency systems, McCann-Erickson WorldGroup, Ammirati Puris Lintas and The Lowe Group. Interpublic also carries on a media buying business through its ownership of Western International Media and its affiliates, as well as a separate direct and promotional marketing business through its ownership of DraftWorldwide Inc. The Company also offers advertising agency services through association arrangements with local agencies in various parts of the world. Other activities conducted by the Company within the area of "marketing communications" include public relations, graphic design, market research, sales promotion, interactive services, sports and event marketing, consulting and other related services.

The principal functions of an advertising agency are to plan and create advertising programs for its clients and to place advertising in various media such as television, cinema, radio, magazines, newspapers, direct mail, outdoor and interactive electronic media. The planning function involves analysis of the market for the particular product or service, evaluation of alternative methods of distribution and choice of the appropriate media to reach the desired market most efficiently. The advertising agency develops a communications strategy and then creates an advertising program, within the limits imposed by the client's advertising budget, and places orders for space or time with the media that have been selected.

The principal advertising agency subsidiaries of Interpublic operating within the United States directly or through subsidiaries and the locations of their respective corporate headquarters are:
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Ammirati Puris Lintas Inc.........	New York, New York
Campbell-Ewald Company.........................	Detroit (Warren), Michigan
Campbell Mithun Esty LLC..........	Minneapolis, Minnesota
Dailey & Associates..............	Los Angeles, California
DraftWorldwide, Inc..............	Chicago, Illinois
Lowe & Partners Inc..............	New York, New York
McCann-Erickson USA, Inc..........	New York, New York

In addition to domestic operations, the Company provides advertising services for clients whose business is international in scope as well as for clients whose business is restricted to a single country or a small number of countries. It has offices in Canada as well as in one or more cities in each of the following countries:

EUROPE, AFRICA AND THE MIDDLE EAST

Austria	Greece	Nigeria	Spain
Belgium	Hungary	Norway	Sweden
Bulgaria	Israel	Pakistan	Switzerland
Cameroon	Ireland	Poland	Tunisia
Croatia	Italy	Portugal	Turkey
Czech Republic	Ivory Coast	Romania	United Arab Emirates
Denmark	Kenya	Russia	United Kingdom
Estonia	Mauritius	Senegal	Zambia
Finland	Morocco	Slovakia	Zimbabwe
France	Namibia	Slovenia	
Germany	Netherlands	South Africa	

LATIN AMERICA AND THE CARIBBEAN

Argentina	Colombia	Guatemala	Peru
Barbados	Costa Rica	Honduras	Puerto Rico
Bermuda	Dominican Republic	Jamaica	Trinidad
Brazil	Ecuador	Mexico	Uruguay
Chile	El Salvador	Panama	Venezuela

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ASIA AND THE PACIFIC

Australia	Japan	People's Republic of China	Sri Lanka
Hong Kong	Malaysia		South Korea
India	Nepal	Philippines	Taiwan
Indonesia	New Zealand	Singapore	Thailand
			Vietnam

Operations in the foregoing countries are carried on by one or more operating companies, at least one of which is either wholly owned by Interpublic or a subsidiary or is a company in which Interpublic or a subsidiary owns a 51% interest or more, except in Malawi and Nepal, where Interpublic or a subsidiary holds a minority interest.

The Company also offers advertising agency services in Albania, Aruba, the Bahamas, Bahrain, Belize, Bolivia, Cambodia, Egypt, Gabon, Ghana, Grand Cayman, Guadeloupe, Guam, Guyana, Haiti, Reunion, Ivory Coast, Jordan, Kuwait, Lebanon, Martinique, Myanmar, Nicaragua, Nigeria, Oman, Paraguay, Saudi Arabia, Senegal, Surinam, Uganda, United Arab Emirates (Dubai) and Zaire through association arrangements with local agencies operating in those countries.

For information concerning revenues, operating profits and identifiable assets on a geographical basis for each of the last three years, reference is made to Note 13: Geographic Areas of the Notes to the Consolidated Financial Statements in the Company's Annual Report to Stockholders for the year ended December 31, 1997, which Note is hereby incorporated by reference.

Developments in 1997

The Company completed a number of acquisitions within the United States and abroad in 1997.

See Note 4 to the Consolidated Financial Statements incorporated by reference in this Report on Form 10-K for a discussion of acquisitions.

Income from Commissions and Fees

The Company generates income from planning, creating and placing advertising in various media. Historically, the commission customary in the industry was 15% of the gross charge ("billings") for advertising space or time; more recently lower commissions have been negotiated, but often with additional incentives for better performance. For example, an incentive component is frequently included in arrangements with clients based on increases in a client's sales of the products or services being advertised. Under commission arrangements, media bill the Company at their gross rates. The Company bills these amounts to its clients, remits the net charges to the media and retains the balance as its commission. Some clients, however, prefer to compensate the Company on a fee basis, under which the Company bills its client for the net charges billed by the media plus an agreed-upon fee. These fees usually are calculated to reflect the Company's salary costs and out-of-pocket expenses incurred on the client's behalf, plus proportional overhead and a profit mark-up.

Normally, the Company, like other advertising agencies, is primarily responsible for paying the media with respect to firm contracts for advertising time or space. This is a problem only if the client is unable to pay the Company because of insolvency or bankruptcy. The Company makes serious efforts to reduce the risk from a client's insolvency, including (1) carrying out credit clearances, (2) requiring in some cases payment of media in advance, or (3) agreeing with the media that the Company will be solely liable to pay the media only after the client has paid the Company for the media charges.

The Company also receives commissions from clients for planning and supervising work done by outside contractors in the physical preparation of finished print advertisements and the production of television and radio commercials and other forms of advertising. This commission is customarily 17.65% of the outside contractor's net charge, which is the same as 15% of the outside contractor's total charges including commission. With the spread of negotiated fees, the terms on which outstanding contractors' charges are billed are subject to wide variations and even include in some instances the elimination of commissions entirely provided that there are adequate negotiated fees.

The Company derives income in many other ways, including the planning and placement in media of advertising produced by unrelated advertising agencies; the maintenance of specialized media placement facilities; the creation and publication of brochures, billboards, point of sale materials and direct marketing pieces for clients; the planning and carrying out of specialized marketing research; managing special events at which clients' products are featured; and designing and carrying out interactive programs for special uses.

The five clients of the Company that made the largest contribution in 1997 to income from commissions and fees accounted individually for 2.9% to 11.4% of such income and in the aggregate accounted for over 31% of such income. Twenty clients of the Company accounted for approximately 44% of such income. Based on income from commissions and fees, the three largest clients of the Company are General Motors Corporation, Unilever and Nestle. General Motors Corporation first became a client of one of the Company's agencies in 1916 in the United States. Predecessors of several of the Lintas agencies have supplied advertising services to Unilever since 1893. The client relationship with Nestle began in 1940 in Argentina. While the loss of the entire business of one of the Company's three largest clients might have a material adverse effect upon the business of the Company, the Company believes that it is very unlikely that the entire business of any of these clients would be lost at the same time, because it represents several different brands or divisions of each of these clients in a number of geographical markets - in each case through more than one of the Company's agency systems.

Representation of a client rarely means that the Company handles advertising for all brands or product lines of the client in all geographical locations. Any client may transfer its business from an advertising agency within the Company to a competing agency, and a client may reduce its advertising budget at any time. The Company's advertising agencies in many instances have written contracts with their clients.

As is customary in the industry, these contracts provide for termination by either party on relatively short notice, usually 90 days but sometimes shorter or longer. In 1997, however, 38% of income from commissions and fees was derived from clients that had been associated with one or more of the Company's agencies or their predecessors for 20 or more years.

Personnel

As of January 1, 1998, the Company employed approximately 27,100 persons, of whom approximately 10,200 were employed in the United States. Because of the personal service character of the marketing communications business, the quality of personnel is of crucial importance to continuing success. There is keen competition for qualified employees. Interpublic considers its employee relations to be satisfactory.

The Company has an active program for training personnel. The program includes meetings and seminars throughout the world. It also involves training personnel in its offices in New York and in its larger offices worldwide.

Competition and Other Factors

The advertising agency and other marketing communications businesses are highly competitive. The Company's agencies and media services must compete with other agencies, both large and small, and also with other providers of creative or media services which are not themselves advertising agencies, in order to maintain existing client relationships and to obtain new clients. Competition in the advertising agency business depends to a large extent on the client's perception of the quality of an agency's "creative product". An agency's ability to serve clients, particularly large international clients, on a broad geographic basis is also an important competitive consideration. On the other hand, because an advertising agency's principal asset is its people, freedom of entry into the business is almost unlimited and quite small agencies are, on occasion, able to take all or some portion of a client's account from a much larger competitor.

Moreover, increasing size brings limitations to an agency's potential for securing new business, because many clients prefer not to be represented by an agency that represents a competitor. Also, clients frequently wish to have different products represented by different agencies. The fact that the Company owns three separate worldwide agency systems and interests in other advertising agencies gives it additional competitive opportunities.

The advertising business is subject to government regulation, both domestic and foreign. There has been an increasing tendency in the United States on the part of advertisers to resort to the courts, industry and self-regulatory bodies to challenge comparative advertising on the grounds that the advertising is false and deceptive. Through the years, there has been a continuing expansion of specific rules, prohibitions, media restrictions, labeling disclosures and warning requirements with respect to the advertising for certain products. Representatives within state governments and the federal government as well as foreign governments continue to initiate proposals to ban the advertising of specific products and to impose taxes on or deny deductions for advertising which, if successful, may have an adverse effect on advertising expenditures.

Some countries are relaxing commercial restrictions as part of their efforts to attract foreign investment. However, with respect to other nations, the international operations of the Company still remain exposed to certain risks which affect foreign operations of all kinds, such as local legislation, monetary devaluation, exchange control restrictions and unstable political conditions. In addition, international advertising agencies are still subject to ownership restrictions in certain

countries because they are considered an integral factor in the communications process.
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Statement Regarding Forward Looking Disclosure

Certain sections of this report, including "Business", "Competition and Other Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contain forward looking statements concerning future events and developments that involve risks and uncertainties, including those associated with the effect of national and regional economic conditions, the ability of the Company to attract new clients and retain existing clients, the financial success of clients of the Company, other developments of clients of the Company, and developments from changes in the regulatory and legal environment for advertising agencies around the world.

Year 2000 Compliance

Many currently installed computer systems and software products are coded to accept only two-digit entries in the date code field. Beginning in the year 2000, these date code fields will need to accept four-digit entries to distinguish 21st century dates from 20th century dates. As a result, computer systems and/or software used by the Company will need to be upgraded to comply with such "Year 2000" requirements. Further discussion of this issue is contained in the section of this Report entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations".

Item 2. Properties

Most of the advertising operations of the Company are conducted in leased premises, and its physical property consists primarily of leasehold improvements, furniture, fixtures and equipment. These facilities are located in various cities in which the Company does business throughout the world. However, subsidiaries of the Company own office buildings in Louisville, Kentucky; Garden City, New York; Blair, Nebraska; Westport, Connecticut; Warren, Michigan; Frankfurt, Germany; Sao Paulo, Brazil; Lima, Peru; Mexico City, Mexico; Santiago, Chile ; and Brussels, Belgium and own office condominiums in Buenos Aires, Argentina; Bogota, Colombia; Manila, the Philippines; in England, subsidiaries of the Company own office buildings in London, Manchester, Birmingham and Stoke-on-Trent.

The Company's ownership of the office building in Frankfurt is subject to three mortgages which became effective on or about February 1993. These mortgages terminate at different dates, with the last to expire in February 2003. Reference is made to Note 10: Long-Term Debt - of the Notes to the Consolidated

Financial Statements in the Company's Annual Report to Stockholders for the year ended December 31, 1997, which Note is hereby incorporated by reference.

Item 3. Legal Proceedings

Neither the Company nor any of its subsidiaries are subject to any pending material legal proceedings.

Item 4. Submission of Matters to a Vote of Security Holders

Not applicable.

Executive Officers of the Registrant

There follows the information disclosed in accordance with Item 401 of Regulation S-K of the Securities and Exchange Commission (the "Commission") as required by Item 10 of Form 10-K with respect to executive officers of the Registrant.

Name	Age	Office

Philip H. Geier, Jr. (1)	63	Chairman of the Board, President and Chief Executive Officer
Eugene P. Beard (1)	62	Vice Chairman-Finance and Operations, Chief Financial Officer
Nicholas J. Camera	51	Vice President, Secretary and General Counsel
John J. Dooner, Jr. (1)	49	Chairman of McCann-Erickson WorldGroup, Inc.
C. Kent Kroeber	59	Senior Vice President-Human Resources
Barry R. Linsky	56	Senior Vice President-Planning and Business Development
Frank B. Lowe (1)	56	Chairman of The Lowe Group
Martin F. Puris (1)	59	Chairman, Chief Executive Officer and Chief Creative Officer of Ammirati Puris Lintas Worldwide
Joseph M. Studley	45	Vice President and Controller
Thomas J. Volpe	62	Senior Vice President-Financial Operations

(1) Also a Director

There is no family relationship among any of the executive officers.

The employment histories for the past five years of Messrs. Geier, Beard, Dooner, Puris and Lowe are incorporated by reference to the Proxy Statement for Interpublic's 1998 Annual Meeting of Stockholders.

Mr. Camera joined Interpublic on May 17, 1993. He was elected Vice President, Assistant General Counsel and Assistant Secretary on June 1, 1994 and Vice President, General Counsel and Secretary on December 15, 1995.

Mr. Kroeber joined Interpublic in January 1966 as Manager of Compensation and Training. He was elected Vice President in 1970 and Senior Vice President in May 1980.

Mr. Linsky joined Interpublic in January, 1991 when he was elected Senior Vice President-Planning and Business Development. Prior to that time, he was Executive Vice President, Account Management of Lowe & Partners, Inc. Mr. Linsky was elected to that position in July, 1980, when the corporation was known as The Marschalk Company and was a subsidiary of Interpublic.

Mr. Studley was elected as Vice President and Controller of Interpublic effective as of April 1, 1994, formerly he was Senior Vice President and Chief Financial Officer of E.C. Television, a division of Interpublic, since January 1, 1990. He was a Vice President of Lintas New York, a division of one of Interpublic's subsidiaries, from August 1, 1987 until December 31, 1989.

Mr. Volpe joined Interpublic on March 3, 1986. He was appointed Senior Vice President-Financial Operations on March 18, 1986. He served as Treasurer from January 1, 1987 through May 17, 1988 and the Treasurer's office continues to report to him. He was Vice President and Treasurer of Colgate-Palmolive Company from February 1981 to February 1986 and Assistant Corporate Controller prior thereto.

PART II

Item 5. Market for the Registrant's Common Equity and Related Stockholder Matters

The response to this Item is incorporated by reference to the Registrant's Annual Report to Stockholders for the year ended December 31, 1997. See Note 12: Results by Quarter (Unaudited), of the Notes to the Consolidated Financial Statements and information under the heading Transfer Agent and Registrar for Common Stock.

Item 6. Selected Financial Data

The response to this Item is incorporated by reference to the Registrant's Annual Report to Stockholders for the year ended December 31, 1997 under the heading Selected Financial Data for Five Years.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The response to this Item is incorporated by reference to the Registrant's Annual Report to Stockholders for the year ended December 31, 1997 under the heading Management's Discussion and Analysis of Financial Condition and Results of Operations.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

The response to this Item is incorporated by reference to the Registrant's Annual Report to Stockholders for the year ended December 31, 1997 under the heading Management's Discussion and Analysis of Financial Condition and Results of Operations.

Item 8. Financial Statements and Supplementary Data

The response to this Item is incorporated in part by reference to the Registrant's Annual Report to Stockholders for the year ended December 31, 1997 under the headings Financial Statements and Notes to the Consolidated Financial Statements. Reference is also made to the Financial Statement Schedule listed under Item 14(a) of this Report on Form 10-K.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

PART III

Item 10. Directors and Executive Officers of the Registrant

The information required by this Item is incorporated by reference to the Registrant's Proxy Statement for its 1998 Annual Meeting of Stockholders (the "Proxy Statement"), to be filed not later than 120 days after the end of the 1997 calendar year, except for the description of Interpublic's Executive Officers which appears in Part I of this Report on Form 10-K under the heading "Executive Officers of the Registrant".

Item 11. Executive Compensation

The information required by this Item is incorporated by reference to the Proxy Statement. Such incorporation by reference shall not be deemed to incorporate specifically by reference the information referred to in Item 402(a)(8) of Regulation S-K.

Item 12. Security Ownership of Certain Beneficial Owners and Management

The information required by this Item is incorporated by reference to the Proxy Statement.

Item 13. Certain Relationships and Related Transactions

The information required by this Item is incorporated by reference to the Proxy Statement. Such incorporation by reference shall not be deemed to incorporate specifically by reference the information referred to in Item 402(a)(8) of Regulation S-K.

PART IV

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K

(a) Listed below are all financial statements, financial statement schedules and exhibits filed as part of this Report on Form 10-K.

1. Financial Statements:

See the Index to Financial Statements on page F-1.

2. Financial Statement Schedules:

See the Index to Financial Statement Schedule on page F-1.

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3. Exhibits:

(Numbers used are the numbers assigned in Item 601 of Regulation S-K and the EDGAR Filer Manual. An additional copy of this exhibit index immediately precedes the exhibits filed with this Report on Form 10-K and the exhibits transmitted to the Commission as part of the electronic filing of the Report.)

Exhibit No. Description

3 (i) The Restated Certificate of Incorporation of the Registrant, as amended is incorporated by reference to its Report on Form 10-Q for the quarter ended June 30, 1997. See Commission file number 1-6686.

(ii) The By-Laws of the Registrant, amended as of February 19, 1991, are incorporated by reference to its Report on Form 10-K for the year ended December 31, 1990. See Commission file number 1-6686.

4 Instruments Defining the Rights of Security Holders.

(i) Indenture, dated as of September 16, 1997 between Interpublic and The Bank of New York is incorporated by reference to the Registrant's Report on Form 10-Q for the quarter ended September 30, 1997. See Commission file number 1-6686.

(ii) The Preferred Share Purchase Rights Plan as adopted on July 18, 1989 is incorporated by reference to Registrant's Registration Statement on Form 8-A dated August 1, 1989 (No. 00017904) and, as amended, by reference to Registrant's Registration Statement on Form 8 dated October 3, 1989 (No. 00106686).

10 Material Contracts.

(a) Purchase Agreement, dated September 10, 1997, among The Interpublic Group of Companies, Inc. ("Interpublic"), Morgan Stanley & Co., Incorporated, Goldman Sachs and Co. and SBC Warburg Dillon Read Inc. is incorporated by reference to the Registrant's Report on Form 10-Q for the quarter ended September 30, 1997. See Commission file number 1-6686.

(b) Employment, Consultancy and other Compensatory Arrangements with Management.

Employment and Consultancy Agreements and any amendments or supplements thereto and other

compensatory arrangements filed with the Registrant's Reports on Form 10-K for the years ended December 31, 1980 through December 31, 1996 inclusive, or filed with the Registrant's Reports on Form 10-Q for the periods ended March 31, 1997, June 30, 1997 and September 30, 1997 are incorporated by reference in this Report on Form 10-K. See Commission file number 1-6686. Listed below are agreements or amendments to agreements between the Registrant and its executive officers which remain in effect on and after the date hereof or were executed during the year ended December 31, 1997 and thereafter, unless previously submitted, which are filed as exhibits to this Report on Form 10-K.

(i) Philip H. Geier, Jr.

Supplemental Agreement dated as of March 1, 1998 to an Employment Agreement dated as of September 1, 1997 between Interpublic and Philip H. Geier, Jr.

(ii) Frank Lowe

Supplemental Agreement dated as of March 1, 1998 to an Employment Agreement dated as of January, 1, 1996 between Interpublic and Frank Lowe.

(c) Executive Compensation Plans.

(i) Trust Agreement, dated as of June 1, 1990 between The Interpublic Group of Companies, Inc., Lintas Campbell-Ewald Company, McCann-Erickson USA, Inc., McCann-Erickson Marketing, Inc., Lintas, Inc. and Chemical Bank, as Trustee, is incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1990. See Commission file number 1-6686.

(ii) The Stock Option Plan (1988) and the Achievement Stock Award Plan of the Registrant are incorporated by reference to Appendices C and D of the Prospectus dated May 4, 1989 forming part of its Registration Statement on Form S-8 (No. 33-28143).

(iii) The Management Incentive Compensation Plan of the Registrant is incorporated by reference to the Registrant's Report on Form 10-Q for the quarter ended June 30, 1995. See Commission file number 1-6686.

(iv) The 1986 Stock Incentive Plan of the Registrant is incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1993. See Commission file number 1-6686.

(v) The 1986 United Kingdom Stock Option Plan of the Registrant is incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1992. See Commission file number 1-6686.

(vi) The Employee Stock Purchase Plan (1985) of the Registrant, as amended, is incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1993. See Commission file number 1-6686.

(vii) The Long-Term Performance Incentive Plan of the Registrant is incorporated by reference to Appendix A of the Prospectus dated December 12, 1988 forming part of its Registration Statement on Form S-8 (No. 33-25555).

(viii) Resolution of the Board of Directors adopted on February 16, 1993, amending the Long-Term Performance Incentive Plan is incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1992. See Commission file number 1-6686.

(ix) Resolution of the Board of Directors adopted on May 16, 1989 amending the Long-Term Performance Incentive Plan is incorporated by reference to Registrant's Report on Form 10-K for the year ended December 31, 1989. See Commission file number 1-6686.

(x) The 1996 Stock Incentive Plan of the Registrant is incorporated by reference to the Registrant's Report on Form 10-Q for the quarter ended June 30, 1996. See Commission file number 1-6686.

(xi) The 1997 Performance Incentive Plan of the Registrant is incorporated by reference to the Registrant's Report on Form 10-Q for the quarter ended June 30, 1997. See Commission file number 1-6686.

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(d) Loan Agreements.

(i) Amendment No. 6, dated as of August 28, 1997 to a Credit Agreement dated as of September 30, 1992 and effective as of December 30, 1992 between Interpublic and The Bank of New York.

(ii) Amendment No. 7, dated as of August 26, 1997 to a Credit Agreement dated as of September 30, 1992 and effective as of December 23, 1992 between Interpublic and The First National Bank of Chicago.

(iii) Amendment No. 6, dated as of October 1, 1997 to a Credit Agreement dated as of September 30, 1992 and effective as of December 16, 1992 between Interpublic and The Fuji Bank, Limited.

(iv) Note dated as of December 16, 1992 between Interpublic and The Fuji Bank, Limited.

(v) Other Loan and Guaranty Agreements filed with the Registrant's Annual Report on Form 10-K for the years ended December 31, 1988 and December 31, 1986 are incorporated by reference in this Report on Form 10-K. Other Credit Agreements, amendments to various Credit Agreements, Supplemental Agreements, Termination Agreements, Loan Agreements, Note Purchase Agreements, Guarantees and Intercreditor Agreements filed with the Registrant's Report on Form 10-K for the years ended December 31, 1989 through December 31, 1996, inclusive and filed with Registrant's Reports on Form 10-Q for the periods ended March 31, 1997, June 30, 1997 and September 30, 1997 are incorporated by reference into this Report on Form

10-K. See Commission file number 1-6686.

(e) Leases.

Material leases of premises are incorporated by reference to the Registrant's Annual Report on Form 10-K for the years ended December 31, 1980 and December 31, 1988. See Commission file number 1-6686.

(f) Acquisition Agreement for Purchase of Real Estate.

(i) Acquisition Agreement (in German) between Treuhandelsgesellschaft Aktiengesellschaft & Co. Grundbesitz OHG and McCann-Erickson Deutschland

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GmbH & Co. Management Property KG ("McCann-Erickson Deutschland") and the English translation of the Acquisition Agreement are incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1992. See Commission file number 1-6686.

(g) Mortgage Agreements and Encumbrances.

(i) Summaries In German and English of Mortgage Agreements between McCann-Erickson Deutschland and Frankfurter Hypothekenbank Aktiengesellschaft ("Frankfurter Hypothekenbank"), Mortgage Agreement, dated January 22, 1993, between McCann-Erickson Deutschland and Frankfurter Hypothekenbank, Mortgage Agreement, dated January 22, 1993, between McCann-Erickson Deutschland and Hypothekenbank are incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1993. See Commission file number 1-6686. Summaries In German and English of Mortgage Agreement, between McCann-Erickson Deutschland and Frankfurter Sparkasse and Mortgage Agreement, dated January 7, 1993, between McCann-Erickson Deutschland and Frankfurter Sparkasse are incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1992. See Commission file number 1-6686.

(ii) Summaries In German and English of Documents Creating Encumbrances In Favor of Frankfurter Hypothekenbank and Frankfurter Sparkasse In Connection With the Aforementioned Mortgage Agreements, Encumbrance, dated January 15, 1993, In Favor Of Frankfurter Hypothekenbank, and Encumbrance, dated January 15, 1993, In Favor of Frankfurter Sparkasse are incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1992. See Commission file number 1-6686.

(iii) Loan Agreement (in English and German), dated January 29, 1993 between Lintas Deutschland GmbH and McCann-Erickson Deutschland is incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1992. See Commission file number 1-6686.

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11 Computation of Earnings Per Share.

13 This Exhibit includes: (a) those portions of the Annual Report to Stockholders for the year ended December 31, 1997 which are included therein under the following headings: Financial Highlights; Management's Discussion and Analysis of Financial Condition and Results Of Operations; Consolidated Balance Sheet; Consolidated Statement of Income; Consolidated Statement of Cash Flows; Consolidated

Statement of Stockholders' Equity; Notes to Consolidated Financial Statements (the aforementioned consolidated financial statements together with the Notes to Consolidated Financial Statements hereinafter shall be referred to as the "Consolidated Financial Statements"); Report of Independent Accountants; Selected Financial Data For Five Years; Report of Management; and Stockholders' Information; and (b) Appendix to Exhibit 13.

21 Subsidiaries of the Registrant.

23 Consent of Independent Accountants.

24 Power of Attorney to sign Form 10-K and resolution of Board of Directors re Power of Attorney.

27 Financial Data Schedules

99 No reports on Form 8-K were filed during the quarter ended December 31, 1997.

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SIGNATURES

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE INTERPUBLIC GROUP OF COMPANIES, INC.
(Registrant)

March 26, 1998

BY: Philip H. Geier, Jr.
Philip H. Geier, Jr.,
Chairman of the Board,
President and Chief
Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Name	Title	Date
Philip H. Geier, Jr. Philip H. Geier, Jr.	Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer) and Director	March 26, 1998
Eugene P. Beard Eugene P. Beard	Vice Chairman -Finance and Operations, Chief Financial Officer, (Principal Financial Officer) and Director	March 26, 1998
Frank J. Borelli Frank J. Borelli	Director	March 26, 1998
Reginald K. Brack Reginald K. Brack	Director	March 26, 1998
Jill M. Considine Jill M. Considine	Director	March 26, 1998
John J. Dooner, Jr. John J. Dooner, Jr.	Director	March 26, 1998
Frank B. Lowe Frank B. Lowe	Director	March 26, 1998

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Leif H. Olsen Leif H. Olsen	Director	March 26, 1998
Martin F. Puris Martin F. Puris	Director	March 26, 1998
Allen Questrom Allen Questrom	Director	March 26, 1998
J. Phillip Samper J. Phillip Samper	Director	March 26, 1998
Joseph M. Studley Joseph M. Studley	Vice President and Controller (Principal Accounting Officer)	March 26, 1998

By Philip H. Geier, Jr.
Philip H. Geier, Jr.
Attorney-in-fact

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INDEX TO FINANCIAL STATEMENTS

The Financial Statements appearing under the headings: Financial Highlights, Management's Discussion and Analysis of Financial Condition and Results of Operations, Consolidated Financial Statements, Notes to Consolidated Financial Statements, Report of Independent Accountants, Selected Financial Data for Five Years and Report of Management accompanying the Annual Report to Stockholders for the year ended December 31, 1997, together with the report thereon of Price Waterhouse LLP dated February 20, 1998 are incorporated by reference in this report on Form 10-K. With the exception of the aforementioned information and the information incorporated in Items 5, 6 and 7, no other data appearing in the Annual Report to Stockholders for the year ended December 31, 1997 is deemed to be filed as part of this report on Form 10-K.

The following financial statement schedules should be read in conjunction with the financial statements in such Annual Report to Stockholders for the year ended December 31, 1997. Financial statement schedules not included in this report on Form 10-K have been omitted because they are not applicable or the required information is shown in the financial statements or the notes thereto.

Separate financial statements for the companies which are 50% or less owned and accounted for by the equity method have been omitted because, considered in the aggregate as a single subsidiary, they do not constitute a significant subsidiary.

INDEX TO FINANCIAL STATEMENT SCHEDULE

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REPORT OF INDEPENDENT ACCOUNTANTS
ON FINANCIAL STATEMENT SCHEDULE

To the Board of Directors of
The Interpublic Group of Companies, Inc.

Our audits of the consolidated financial statements referred to in our report dated February 20, 1998 appearing in the 1997 Annual Report to Stockholders of The Interpublic Group of Companies, Inc. (which report and consolidated financial statements are incorporated by reference in this Annual Report on Form 10-K) also included an audit of the Financial Statement Schedule listed in Item 14 (a) of this Form 10-K. In our opinion, this Financial Statement Schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

PRICE WATERHOUSE LLP
New York, New York
February 20, 1998

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 of The Interpublic Group of Companies, Inc. (the "Company"), of our report dated February 20, 1998, appearing in the 1997 Annual Report to Stockholders which is incorporated in this Annual Report on Form 10-K: Registration Statements No. 2-79071; No. 2-43811; No. 2-56269; No. 2-61346; No. 2-64338; No. 2-67560; No. 2-72093; No. 2-88165; No. 2-90878, No. 2-97440 and No. 33-28143, relating variously to the Stock Option Plan (1971), the Stock Option Plan (1981), the Stock Option Plan (1988) and the Achievement Stock Award Plan of the Company; Registration Statements No. 2-53544; No. 2-91564, No. 2-98324, No. 33-22008, No. 33-64062 and No. 33-61371, relating variously to the Employee Stock Purchase Plan (1975), the Employee Stock Purchase Plan (1985) and the Employee Stock Purchase Plan of the Company (1995); Registration Statements No. 33-20291 and No. 33-2830 relating to the Management Incentive Compensation Plan of the Company; Registration Statements No. 33-5352, No. 33-21605, No. 333-4747 and No. 333-23603 relating to the 1986 Stock Incentive Plan, the 1986 United Kingdom Stock Option Plan and the 1996 Stock Incentive Plan, of the Company; Registration Statements No. 33-10087 and No. 33-25555 relating to the Long-Term Performance Incentive Plan of the Company; Registration Statement No. 333-28029 relating to The Interpublic Outside Directors' Stock Incentive Plan of the Company; and Registration Statement No. 33-42675 relating to the 1997 Performance Incentive Plan of the Company. We hereby consent to the incorporation by reference in the Prospectuses constituting part of the Registration Statements on Form S-3 (No. 333-22899, No. 333-42243, No. 333-42905, and No. 333-45569) of The Interpublic

Group of Companies, Inc. of our report dated February 20, 1998 appearing in the 1997 Annual Report to Stockholders which is incorporated in this Annual Report on Form 10-K. We also consent to the incorporation by reference of our report on the Financial Statement Schedule, which appears above.

PRICE WATERHOUSE LLP
New York, New York
March 26, 1998

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SCHEDULE VIII

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
VALUATION AND QUALIFYING ACCOUNTS

For the Years Ended December 31, 1997, 1996 and 1995

(Dollars in Thousands)

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E

Description	Balance at Beginning of Period	Additions Charged to Costs & Expenses	Additions Charged to Other Accounts-Describe	Deductions-Describe	Balance at End of Period
Allowance for Doubtful Accounts - deducted from Receivables in the Consolidated Balance Sheet:					
1997	$33,301	$12,134	$3,535<F1> 848<F5>	$(2,566)<F2> (5,439)<F3> (2,374)<F4>	$39,439
1996	$21,942	$15,603	$ 920<F1> 771<F5>	$ (815)<F2> (4,755)<F3> (365)<F4>	$33,301
1995	$22,656	$ 8,894	$1,324<F1> 137<F2>	$(9,619)<F3> (819)<F4> (632)<F5>	$21,941

<FN>
<F1> Allowance for doubtful accounts of acquired and newly consolidated companies.
<F2> Foreign currency translation adjustment.
<F3> Principally amounts written off.
<F4> Reversal of previously recorded allowances on accounts receivable.
<F5> Miscellaneous.
</FN>

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INDEX TO DOCUMENTS

Exhibit No. Description

3 (i) The Restated Certificate of Incorporation of the Registrant, as amended is incorporated by reference to its Report on Form 10-Q for the quarter ended June 30, 1997. See Commission file number 1-6686.

(ii) The By-Laws of the Registrant, amended as of February 19, 1991, are incorporated by reference to its Report on Form 10-K for the year ended December 31, 1990. See Commission file number 1-6686.

4 Instruments Defining the Rights of Security Holders.

(i) Indenture, dated as of September 16, 1997 between Interpublic and The Bank of New York is incorporated by reference to the Registrant's Report on Form 10-Q for the quarter ended September 30, 1997. See Commission file number 1-6686.

(ii) The Preferred Share Purchase Rights Plan as adopted on July 18, 1989 is incorporated by reference to Registrant's Registration Statement on Form 8-A dated August 1, 1989 (No. 00017904) and, as amended, by reference to Registrant's Registration Statement on Form 8 dated October 3, 1989 (No. 00106686).

10 Material Contracts.

(a) Purchase Agreement, dated September 10, 1997, among The Interpublic Group of Companies, Inc. ("Interpublic"), Morgan Stanley & Co., Incorporated, Goldman Sachs and Co. and SBC Warburg Dillon Read Inc. is incorporated by reference to the Registrant's Report on Form 10-Q for the quarter ended September 30, 1997. See Commission file number 1-6686.

(b) Employment, Consultancy and other Compensatory Arrangements with Management.

Employment and Consultancy Agreements and any amendments or supplements thereto and other compensatory arrangements filed with the Registrant's Reports on Form 10-K for the years ended December 31, 1980 through December 31, 1996, inclusive, or filed with the Registrant's Reports on Form 10-Q for the periods ended March 31, 1997, June 30, 1997 and September 30, 1997 are incorporated by reference in this Report on Form 10-K. See Commission file number 1-6686. Listed below are agreements or amendments to agreements between the Registrant and its executive officers which remain in effect on and after the date hereof or were executed during the year ended December 31, 1997 and thereafter, unless previously submitted, which are filed as exhibits to this Report on Form 10-K.

(i) Philip H. Geier, Jr.

Supplemental Agreement dated as of March 1, 1998 to an Employment Agreement dated as of September 1, 1997 between Interpublic and Philip H. Geier, Jr.

(ii) Frank Lowe

Supplemental Agreement dated as of March 1, 1998 to an Employment Agreement dated as of January 1, 1996 between Interpublic and Frank Lowe.

(c) Executive Compensation Plans.

(i) Trust Agreement, dated as of June 1, 1990 between The Interpublic Group of Companies, Inc., Lintas Campbell-Ewald Company, McCann-Erickson USA, Inc., McCann-Erickson Marketing, Inc., Lintas, Inc. and Chemical Bank, as Trustee, is incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1990. See Commission file number 1-6686.

(ii) The Stock Option Plan (1988) and the Achievement Stock Award Plan of the Registrant are incorporated by reference to Appendices C and D of the Prospectus dated May 4, 1989 forming part of its Registration Statement on Form S-8 (No. 33-28143).

(iii) The Management Incentive Compensation Plan of the Registrant is incorporated by reference to the Registrant's Report on Form 10-Q for the quarter ended June 30, 1995. See Commission file number 1-6686.

(iv) The 1986 Stock Incentive Plan of the Registrant is incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1993. See Commission file number 1-6686.

(v) The 1986 United Kingdom Stock Option Plan of the Registrant is incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1992. See Commission file number 1-6686.

(vi) The Employee Stock Purchase Plan (1985) of the Registrant, as amended, is incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1993. See Commission file number 1-6686.

(vii) The Long-Term Performance Incentive Plan of the Registrant is incorporated by reference to Appendix A of the Prospectus dated December 12, 1988 forming part of its Registration Statement on Form S-8 (No. 33-25555).

(viii) Resolution of the Board of Directors adopted on February 16, 1993, amending the Long-Term Performance Incentive Plan is incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1992. See Commission file number 1-6686.

(ix) Resolution of the Board of Directors adopted on May 16, 1989 amending the Long-Term Performance Incentive Plan is incorporated by reference to Registrant's Report on Form 10-K for the year ended December 31, 1989. See Commission file number 1-6686.

(x) The 1996 Stock Incentive Plan of the Registrant is incorporated by reference to the Registrant's Report on Form 10-Q for the quarter ended June 30, 1996. See Commission file number 1-6686.

(xi) The 1997 Performance Incentive Plan of the Registrant is incorporated by reference to the Registrant's Report on Form 10-Q for the quarter ended June 30, 1997. See Commission file number 1-6686.

(d) Loan Agreements.

(i) Amendment No. 6, dated as of August 28, 1997 to a Credit Agreement dated as of September 30, 1992 and effective as of December 30, 1992 between Interpublic and The Bank of New York.

(ii) Amendment No. 7, dated as of August 26, 1997 to a Credit Agreement dated as of September 30, 1992 and effective as of December 23, 1992 between Interpublic and The First National Bank of Chicago.

(iii) Amendment No. 6, dated as of October 1, 1997 to a Credit Agreement dated as of September 30, 1992 and effective as of December 16, 1992 between Interpublic and The Fuji Bank, Limited.

(iv) Note dated as of December 16, 1992 between Interpublic and The Fuji Bank, Limited.

(v) Other Loan and Guaranty Agreements filed with the Registrant's Annual Report on Form 10-K for the years ended December 31, 1988 and December 31, 1986 are incorporated by reference in this Report on Form 10-K. Other Credit Agreements, amendments to various Credit Agreements, Supplemental Agreements, Termination Agreements, Loan Agreements, Note Purchase Agreements, Guarantees and Intercreditor Agreements filed with the Registrant's Report on Form 10-K for the years ended December 31, 1989 through December 31, 1996, inclusive and filed with Registrant's Reports on Form 10-Q for the periods ended March 31, 1997, June 30, 1997 and September 30, 1997 are incorporated by reference into this Report on Form 10-K. See Commission file number 1-6686.

(e) Leases.

Material leases of premises are incorporated by reference to the Registrant's Annual Report on Form 10-K for the years ended December 31, 1980 and December 31, 1988. See Commission file number 1-6686.

(f) Acquisition Agreement for Purchase of Real Estate.

Acquisition Agreement (in German) between Treuhandelsgesellschaft Aktiengesellschaft & Co. Grundbesitz OHG and McCann-Erickson Deutschland GmbH & Co. Management Property KG ("McCann-Erickson Deutschland") and the English translation of the Acquisition Agreement are incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1992. See Commission file number 1-6686.

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(g) Mortgage Agreements and Encumbrances.

(i) Summaries In German and English of Mortgage Agreements between McCann-Erickson Deutschland and Frankfurter Hypothekenbank Aktiengesellschaft ("Frankfurter Hypothekenbank"), Mortgage Agreement, dated January 22, 1993, between McCann-Erickson Deutschland and Frankfurter Hypothekenbank, Mortgage Agreement, dated January 22, 1993, between McCann-Erickson Deutschland and Hypothekenbank are incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1993. See Commission file number 1-6686. Summaries In German and English of Mortgage Agreement, between McCann-Erickson Deutschland and Frankfurter Sparkasse and Mortgage Agreement, dated January 7, 1993, between McCann-Erickson Deutschland and Frankfurter Sparkasse are incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1992. See Commission file number 1-6686.

(ii) Summaries In German and English of Documents Creating Encumbrances In Favor of Frankfurter Hypothekenbank and Frankfurter Sparkasse In Connection With the Aforementioned Mortgage Agreements, Encumbrance, dated January 15, 1993, In Favor Of Frankfurter Hypothekenbank, and Encumbrance, dated January 15, 1993, In Favor of Frankfurter Sparkasse are incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1992. See Commission file number 1-6686.

(iii) Loan Agreement (in English and German), dated January 29, 1993 between Lintas Deutschland GmbH and McCann-Erickson Deutschland is incorporated by reference to Registrant's Annual Report on Form 10-K for the year ended December 31, 1992. See Commission file number 1-6686.

11 Computation of Earnings Per Share.

13 This Exhibit includes: (a) those portions of the Annual Report to Stockholders for the year ended December 31, 1997 which are included therein under the following headings:

Financial Highlights; Management's Discussion and Analysis of Financial Condition and Results Of Operations; Consolidated Balance Sheet; Consolidated Statement of Income; Consolidated Statement of Cash Flows; Consolidated Statement of Stockholders' Equity; Notes to Consolidated

Financial Statements (the aforementioned consolidated financial Statements together with the Notes to Consolidated Financial Statements hereinafter shall be referred to as the "Consolidated Financial Statements"); Report of Independent Accountants; Selected Financial Data For Five Years; Report of Management; and Stockholders' Information; and (b) Appendix to Exhibit 13.

21 Subsidiaries of the Registrant.

23 Consent of Independent Accountants.

24 Power of Attorney to sign Form 10-K and resolution of Board of Directors re Power of Attorney.

27 Financial Data Schedules

99 No reports on Form 8-K were filed during the quarter ended December 31, 1997.

SUPPLEMENTAL AGREEMENT

SUPPLEMENTAL AGREEMENT made as of March 1, 1998, by and between THE INTERPUBLIC GROUP OF COMPANIES, INC., a corporation of the State of Delaware (hereinafter referred to as the "Corporation"), and PHILIP H. GEIER, JR. (hereinafter referred to as "Executive").

W I T N E S S E T H:

WHEREAS, the Corporation and Executive are parties to an Employment Agreement made as of July 1, 1991, a Supplemental Agreement made as of October 1, 1991 and a Supplemental Agreement made as of August 1, 1997 (hereinafter referred to collectively as the "Employment Agreement"); and

WHEREAS, the Corporation and Executive desire to amend the Employment Agreement;

NOW, THEREFORE, in consideration of the mutual promises herein and in the Employment Agreement set forth, the parties hereto, intending to be legally bound, agree as follows:

1. Paragraph 3.01 of the Employment Agreement is hereby amended, effective June 1, 1997, so as to delete "$965,000" and to substitute therefor "$995,000".

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2. Except as hereinabove amended, the Employment Agreement shall continue in full force and effect.
3. This Supplemental Agreement shall be governed by the laws of the State of New York.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: C. KENT KROEBER
C. KENT KROEBER

PHILIP H. GEIER, JR.
PHILIP H. GEIER, JR.

SUPPLEMENTAL AGREEMENT

SUPPLEMENTAL AGREEMENT made as of March 1, 1998, by and between THE INTERPUBLIC GROUP OF COMPANIES, INC., a corporation of the State of Delaware (hereinafter referred to as the "Corporation") and FRANK B. LOWE (hereinafter referred to as "Executive").

W I T N E S S E T H

WHEREAS, the Corporation and Executive are parties to an Employment Agreement made as of January 1, 1996 (hereinafter referred to as the "Agreement"); and

WHEREAS, the Corporation and Executive desire to amend the Agreement;

NOW, THEREFORE, in consideration of the mutual promises herein and in the Agreement set forth, the parties hereto, intending to be legally bound, agree as follows:

Section 3.01 of the Agreement is hereby amended, effective March 1, 1998, so as to delete "$750,000" and to substitute therefor "$850,000."

Except as hereinabove amended, the Agreement shall continue in full force and effect.

This Supplemental Agreement shall be governed by the laws of the State of New York.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: C. KENT KROEBER
C. KENT KROEBER

FRANK B. LOWE
FRANK B. LOWE

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AMENDMENT NO. 6 TO CREDIT AGREEMENT

AMENDMENT NO. 6, dated as of August 28, 1997, to the Credit Agreement dated as of September 30, 1992 and effective as of December 30, 1992, as amended on April 30, 1993, October 5, 1993, August 15, 1994, December 1, 1994, and August 3, 1995 (the "Agreement"), between The Interpublic Group of Companies, Inc. (the "Borrower") and THE BANK OF NEW YORK (the "Bank").

SECTION 1. AMENDMENTS. (a) Section 2.1 of the Credit Agreement is hereby amended by deleting the figure "$15,000,000" on the fifth line therein and substituting for such figure the figure "$20,000,000".

(b) Exhibit A to the Credit Agreement and the corresponding Note delivered to the Bank thereunder are hereby amended by deleting the figure "$15,000,000" on the top left corner therein and substituting for such figure the figure "$20,000,000".

(c) Upon the effectiveness of this Amendment pursuant to Section 4 hereof the Bank shall be authorized to endorse on the Note issued to it the following legend: "The Commitment of the Bank reflected on the top left corner of this Note has been increased to $20,000,000 pursuant to an Amendment dated as of August 20, 1997 to the Credit Agreement referred to in this Note" or a legend of similar effect.

SECTION 2. REPRESENTATIONS AND WARRANTIES. The Borrower hereby represents and warrants to the Bank that: (a) the representations and warranties set forth in Section 5 of the Credit Agreement are true and correct on and as of the date hereof as if made on and as of said date; (b) no Event of Default specified in Section 7 of the Credit Agreement and no event, which with the giving of notice or lapse of time or both, would become such an Event of Default has occurred and is continuing; (c) the execution, delivery and performance by the Borrower of this Amendment are within the Borrower's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene (i) the Borrower's charter of bylaws, or (ii) law or any contractual restriction binding on or affecting the Borrower; (d) no order, consent, authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body, or any other person, firm, corporation or other legal entity, is required for the due execution, delivery and performance of this Amendment by the Borrower; and (e) this Amendment is the legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms.

SECTION 3. MISCELLANEOUS. (a) Unless otherwise specifically defined herein, each term used herein which is a defined term shall have the meaning as defined in the Credit Agreement; (b) each reference to "hereof", "hereunder", "herein" and "hereby" and each other similar reference, and each reference to "this Agreement" and each other similar reference contained in the Credit Agreement shall from and after the date hereof refer to the Credit Agreement as amended hereby; and (c) except as specifically amended above, the Credit Agreement shall remain in full force and effect and is hereby ratified and confirmed.

SECTION 4. COUNTERPARTS; EFFECTIVENESS. This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Amendment shall become effective as of the date hereof when the Bank shall have received duly executed counterparts hereof signed by the parties hereto. This Amendment shall be governed by and construed in accordance with the law of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this

Amendment to be duly executed as of the date first above written.

THE INTERPUBLIC GROUP OF
COMPANIES, INC.

ALAN M. FORSTER
ALAN M. FORSTER
VICE PRESIDENT & TREASURER

THE BANK OF NEW YORK

By: GEORGIA M. PAN-KITA
GEORGIA M. PAN-KITA
ASSISTANT VICE PRESIDENT

AMENDMENT NO. 7 TO CREDIT AGREEMENT

AMENDMENT NO. 7, dated as of August 26, 1997, to the Credit Agreement dated as of September 30, 1992 and effective as of December 23, 1992, as amended on April 30, 1993, October 5, 1993, August 15, 1994, December 1, 1994, and August 3, 1995 (the "Agreement"), between The Interpublic Group of Companies, Inc. (the "Borrower") and THE FIRST NATIONAL BANK OF CHICAGO (the "Bank").

SECTION 1. AMENDMENTS. (a) Section 2.1 of the Credit Agreement is hereby amended by deleting the figure "$15,000,000" on the fifth line therein and substituting for such figure the figure "$20,000,000".

(b) Exhibit A to the Credit Agreement and the corresponding Note delivered to the Bank thereunder are hereby amended by deleting the figure "$15,000,000" on the top left corner therein and substituting for such figure the figure "$20,000,000".

(c) Upon the effectiveness of this Amendment pursuant to Section 4 hereof the Bank shall be authorized to endorse on the Note issued to it the following legend: "The Commitment of the Bank reflected on the top left corner of this Note has been increased to $20,000,000 pursuant to an Amendment dated as of August 20, 1997 to the Credit Agreement referred to in this Note" or a legend of similar effect.

SECTION 2. REPRESENTATIONS AND WARRANTIES. The Borrower hereby represents and warrants to the Bank that: (a) the representations and warranties set forth in Section 5 of the Credit Agreement are true and correct on and as of the date hereof as if made on and as of said date; (b) no Event of Default specified in Section 7 of the Credit Agreement and no event, which with the giving of notice or lapse of time or both, would become such an Event of Default has occurred and is continuing; (c) the execution, delivery and performance by the Borrower of this Amendment are within the Borrower's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene (i) the Borrower's charter or bylaws, or (ii) law or any contractual restriction binding on or affecting the Borrower; (d) no order, consent, authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body, or any other person, firm, corporation or other legal entity, is required for the due execution, delivery and performance of this Amendment by the Borrower; and (e) this Amendment is the legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms.

SECTION 3. MISCELLANEOUS. (a) Unless otherwise specifically defined herein, each term used herein which is a defined term shall have the meaning as defined in the Credit Agreement; (b) each reference to "hereof", "hereunder", "herein" and "hereby" and each other similar reference, and each reference to "this Agreement" and each other similar reference contained in the Credit Agreement shall from and after the date hereof refer to the Credit Agreement as amended hereby; and (c) except as specifically amended above, the Credit Agreement shall remain in full force and effect and is hereby ratified and confirmed.

SECTION 4. COUNTERPARTS; EFFECTIVENESS. This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Amendment shall become effective as of the date hereof when the Bank shall have received duly executed counterparts hereof signed by the parties hereto. This Amendment shall be governed by and construed in accordance with the law of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: ALAN M. FORSTER
ALAN M. FORSTER
VICE PRESIDENT &
TREASURER

THE FIRST NATIONAL BANK OF CHICAGO

By: JUAN J. DUARTE
JUAN J. DUARTE
ASSISTANT VICE PRESIDENT

AMENDMENT NO. 6 TO CREDIT AGREEMENT

AMENDMENT NO. 6, dated as of October 1, 1997, to the Credit Agreement dated as of September 30, 1992 and effective as of December 16, 1992, as amended on April 30, 1993, October 5, 1993, August 15, 1994, December 1, 1994, and August 3, 1995 (the "Agreement"), between The Interpublic Group of Companies, Inc. (the "Borrower") and THE FUJI BANK, LIMITED (the "Bank").

SECTION 1. AMENDMENTS. (a) Section 2.1 of the Credit Agreement is hereby amended by deleting the figure "$15,000,000" on the fifth line therein and substituting for such figure the figure "$20,000,000".

(b) Exhibit A to the Credit Agreement and the corresponding Note delivered to the Bank thereunder are hereby amended by deleting the figure "15,000,000" on the top left corner therein and substituting for such figure the figure "$20,000,000".

(c) Upon the effectiveness of this Amendment pursuant to Section 4 hereof the Bank shall be authorized to endorse on the Note issued to it the following legend: "The Commitment of the Bank reflected on the top left corner of this Note has been increased to $20,000,000 pursuant to an Amendment dated as of October 1, 1997 to the Credit Agreement referred to in this Note" or a legend of similar effect.

SECTION 2. REPRESENTATIONS AND WARRANTIES. The Borrower hereby represents and warrants to the Bank that: (a) the representations and warranties set forth in Section 5 of the Credit Agreement are true and correct on and as of the date hereof as if made on and as of said date; (b) no Event of Default specified in Section 7 of the Credit Agreement and no event, which with the giving of notice or lapse of time or both, would become such an Event of Default has occurred and is continuing; (c) the execution, delivery and performance by the Borrower of this Amendment are within the Borrower's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene (i) the Borrower's charter of bylaws, or (ii) law or any contractual restriction binding on or affecting the Borrower; (d) no order, consent, authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body, or any other person, firm, corporation or other legal entity, is required for the due execution, delivery and performance of this Amendment by the Borrower; and (e) this Amendment is the legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms.

PAGE

SECTION 3. MISCELLANEOUS. (a) Unless otherwise specifically defined herein, each term used herein which is a defined term shall have the meaning as defined in the Credit Agreement; (b) each reference to "hereof", "hereunder", "herein" and "hereby" and each other similar reference, and each reference to "this Agreement" and each other similar reference contained in the Credit Agreement shall from and after the date hereof refer to the Credit Agreement as amended hereby; and (c) except as specifically amended above, the Credit Agreement shall remain in full force and effect and is hereby ratified and confirmed.

SECTION 4. COUNTERPARTS; EFFECTIVENESS. This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Amendment shall become effective as of the date hereof when the Bank shall have received duly executed counterparts hereof signed by the parties hereto. This Amendment shall be governed by and construed in accordance with the law of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this

Amendment to be duly executed as of the date first above written.

THE INTERPUBLIC GROUP OF
COMPANIES, INC.

By: ALAN M. FORSTER
ALAN M. FORSTER
VICE PRESIDENT &
TREASURER

THE FUJI BANK, LIMITED, NEW
YORK BRANCH

By: RAYMOND VENTURA
RAYMOND VENTURA
VICE PRESIDENT &
MANAGER

NOTE

*U.S. $15,000,000

December 16, 1992
New York, New York

FOR VALUE RECEIVED, THE INTERPUBLIC GROUP OF COMPANIES, INC., a Delaware corporation (the "Borrower"), hereby promises to pay to the order of the THE FUJI BANK, LIMITED (the "Bank"), for the account of its Applicable Lending Office, the unpaid principal amount of each Loan made by the Bank to the Borrower pursuant to the Credit Agreement referred to below on the last day of the Interest Period relating to such Loan. THE Borrower promises to pay interest on the unpaid principal amount of each such Loan on the dates and at the rate or rates provided for in the Credit Agreement.

All such payments of principal and interest shall be made in lawful money of the United States of America in Federal or other immediately available funds at the office of the Bank located at Two World Trade Center, New York, New York 10048.

All Loans made by the Bank, the respective maturities thereof and all repayments of the principal thereof shall be recorded by the Bank and prior to any transfer hereof, endorsed by the Bank on the schedule attached hereto, or on a continuation of such schedule attached to and made a part hereof; provided that the failure of the Bank to make any such recordation or endorsement shall not affect the obligations of the Borrower hereunder or under the Credit Agreement.

This note is the Note referred to in the Credit Agreement dated as of December 11, 1992, between the Borrower and the Bank (as the same may be amended from time to time, the "Credit Agreement"). Terms defined in the Credit Agreement are used herein with the same meanings. Referee is made to the credit agreement for provisions for the prepayment hereof and the acceleration of the maturity hereof.

THE INTERPUBLIC GROUP OF
COMPANIES, INC.

By: ALAN M. FORSTER
ALAN M. FORSTER
VICE PRESIDENT &
TREASURER

* The commitment of the Bank reflected on the top left corner of this Note has been increased to $20,000,000 pursuant to an Amendment dated as of October 1, 1997 to the Credit Agreement referred to in this Note.

THE INTERPUBLIC GROUP OF COMPANIES, INC.
COMPUTATION OF EARNINGS PER SHARE <F1>
(Dollars in Thousands Except Per Share Data)
Year Ended December 31

	1997	1996	1995	1994	1993
BASIC:					
Net Income before effect of accounting changes	$239,146	$205,205	$129,812	$115,247	$125,279
Effect of accounting changes	-	-	-	(21,780)	(512)
Net income, as adjusted	$239,146	$205,205	$129,812	$ 93,467	$124,767
Weighted average number of common shares outstanding	120,984,168	116,843,475	113,634,945	110,044,626	108,911,045
Basic earnings per share data:					
Income before effect of accounting change	$1.98	$1.76	$1.14	$1.05	$1.15
Effect of accounting changes	-	-	-	(.20)	- -
Net Income	$1.98	$1.76	$1.14	$0.85	$1.15

THE INTERPUBLIC GROUP OF COMPANIES, INC.
COMPUTATION OF EARNINGS PER SHARE <F1>
(Dollars in Thousands Except Per Share Data)
Year Ended December 31

	1997	1996	1995	1994	1993
DILUTED:					
Net Income before effect of accounting changes	$ 239,146	$ 205,205	$ 129,812	$115,247	$ 125,279
Effect of accounting changes	-	-	-	(21,780)	(512)
After tax interest savings on assumed conversion of subordinated debentures<F2>	5,929	6,410	-	-	- -
Add: Dividends paid net of related income tax applicable					

to the Restricted Stock Plan	447	384	461	366	330
Net income, as adjusted	$ 245,522	$ 211,999	$ 130,273	$ 93,833	$ 125,097
Weighted average number of common shares outstanding	120,984,168	116,843,475	113,634,945	110,044,626	108,911,045
Assumed conversion of subordinated debentures<F2>	4,010,291	4,466,502	-	-	- -
Weighted average number of incremental shares in connection with assumed exercise of stock options	2,910,648	2,219,373	1,921,923	1,523,756	1,646,618
Weighted average number of incremental shares in connection with the Restricted Stock Plan	1,638,646	1,605,564	2,080,067	1,871,346	2,397,039
Total	129,543,753	125,134,914	117,636,935	113,439,728	112,954,702
Diluted Earnings Per Share Data:					
Income before effect of accounting change	1.90	1.69	1.11	1.02	1.11
Effect of accounting change	-	-	-	(.19)	-
Net Income	1.90	1.69	1.11	.83	1.11

<FN>
<F1> Restated to reflect the three-for-two stock split effected July 1997.
<F2> The computation of diluted EPS for 1997 excludes the assumed conversion of the 1.80% Convertible Subordinated Notes due 2004 because they were antidilutive. Similarly, the computation of diluted EPS for 1995, 1994 and 1993 excludes the assumed conversion of the 3 3/4% Convertible Subordinated Debentures due 2002 as they were antidilutive.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

The Interpublic Group of Companies, Inc. is one of the largest organizations of advertising agencies and marketing communications companies in the world. It includes the parent company, The Interpublic Group of Companies, Inc., McCann-Erickson WorldGroup, Ammirati Puris Lintas, The Lowe Group, Western International Media, DraftWorldwide, The Allied Communications Group, Octagon, and other related companies. Interpublic employs more than 27,000 people and maintains offices in over 120 countries.

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FINANCIAL HIGHLIGHTS
(Dollars in thousands except per share data)

December 31	1997	1996<F1>	Percent Increase
Operating Data			
Gross income	$ 3,125,846	$ 2,537,516	23.2%
Net Income	$ 239,146	$ 205,205	16.5%
Per Share Data:			
Basic EPS	$ 1.98	$ 1.76	12.5%
Diluted EPS	1.90	1.69	12.4
Cash dividends	.50	.44	13.6
Share price at December 31	$ 49 13/16	$ 31 5/8	57.5
Weighted-average shares:			
Basic	120,984,168	116,843,475	3.5
Diluted	129,543,753	125,134,914	3.5%
Financial Position			
Working capital	$ 274,014	$ 154,430	77.4%
Total assets	5,702,521	4,765,130	19.7
Book value per share	$ 8.46	$ 7.15<F2>	18.3%
Return on average stockholders' equity	25.8%	25.8%<F2>	-

Gross Income
1997 $3,125,846
1996 $2,537,516
1995 $2,179,739

Basic Earnings Per Share:
1997 $ 1.98
1996 $ 1.76<F1><F2>/1.69<F1>
1995 $ 1.47<F1>/1.14<F3><F1>

Cash Dividends Per Share

1997 $ .50
1996 $ .44<F1>
1995 $ .40<F1>
Return On Average Stockholders' Equity
1997 25.8%
1996 25.8%<F2>/25.0%
1995 23.5%/18.4%<F3>

<F1> Restated to reflect a three-for-two stock split effected July 1997.
<F2> Includes an after-tax gain of approximately $8.1 million or $.07 per share (basic) resulting from the sale of a portion of the Company's shares in CKS Group, Inc.
<F3> Includes an after-tax charge of $38.2 million or $.33 per share (basic) for the write-down of goodwill and related assets.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Liquidity and Capital Resources

The Company's financial position continued to be strong during 1997. Working capital increased $119.6 million over 1996 to $274.0 million. This increase in working capital was a result of growing operations and the payment of short-term borrowings with some of the proceeds from the 1.80% Convertible Subordinated Notes due 2004 issued during the latter part of 1997. Working capital increased $6.7 million and $67.6 million in 1996 and 1995, respectively. The increase in working capital in 1995 related to the refinancing of short-term debt with long-term debt.

The current ratio was approximately 1.1 to 1 for the past three years, which is another indication of the Company's strong liquidity. The Company utilized its strong financial position to obtain short-term and long-term financing on competitive terms.

The Company and its subsidiaries maintained credit facilities in the United States and in countries where it conducts business to manage its future liquidity requirements.

Summary of
Short-term credit facilities at December 31,
(Dollars in millions)

	Domestic		International	
	Available	Utilized	Available	Utilized
1997	$288.0	$ 1.4	$210.8	$86.1
1996	$199.6	$15.2	$215.2	$86.6
1995	$199.6	$36.2	$229.1	$73.5

Approximately 47%, 53% and 56% of the Company's assets at December 31, 1997, 1996 and 1995, respectively, were outside the United States. The Company actively hedges to minimize the impact of foreign exchange exposure. However, the notional value and fair value of all outstanding forwards and options contracts at the end of the year were not significant.

The Company is not aware of any significant occurrences that could negatively impact its liquidity. However, should such a trend develop, the Company believes that there are sufficient funds available under its existing lines of credit and from internal cash-generating capabilities to meet future needs.

The principal use of the Company's working capital is to provide for the operating needs of its subsidiaries, which includes payments for space or time purchased from various media on behalf of clients. The Company's practice is to bill and collect from its clients in sufficient time to pay the amounts due media on a timely basis. Other uses of working capital include the repurchase of the Company's common stock, payment of cash dividends, capital expenditures and acquisitions.

During 1997, the Company purchased approximately 3.5 million shares of its common stock for an average price of $41.57 per share. During 1996 and 1995, the Company acquired approximately 2.9 million shares each year for $86.9 million and $69.7 million, respectively. Repurchases are principally used to meet the Company's obligations under various compensation plans.

The Company paid $61.2 million ($.50 per share) in dividends to stockholders in 1997, an 18% increase over 1996 dividends of $51.8 million ($.44 per share). During 1995, the Company paid $46.1 million in dividends or $.40 per share.

The Company's capital expenditures in 1997 were $96.9 million. The primary purpose of expenditures was to modernize the offices and upgrade the computer and communications systems to better serve clients. During 1996, the Company spent $79.1 million for capital improvements, an increase of 14% from 1995. The increase in capital expenditures year over year resulted from the continuing growth of operations.

During 1997, the Company paid approximately $300 million in cash and stock to acquire a number of marketing communications companies to complement its existing agency systems and to optimally position itself in the ever-broadening communications marketplace.

In the fourth quarter of 1997, the Company called for redemption its 3 3/4% Convertible Subordinated Debentures due 2002. Substantially all of the outstanding debentures were converted into approximately 4.3 million shares of the Company's common stock.

Return on average stockholders' equity was 25.8% in 1997 and 1996 and 18.4% in 1995. The return on average stockholders' equity in 1995, excluding the effect of the write-down of goodwill and other related assets was 23.5%.

RESULTS OF OPERATIONS

Worldwide income from commissions and fees increased 23.3% in 1997, 16.1% in 1996 and 9.3% in 1995. The continued growth in revenue was mainly due to the expansion of the business through strategic acquisitions coupled with new business gains.

International revenue, which represented 53.5% of worldwide revenue in 1997, increased $174.4 million or 12.2% over 1996. This was after an unfavorable currency impact of 8.5%. During 1996 and 1995, revenue from international operations increased $89.7 million and $136.4 million, respectively. During 1997, commissions and fees from domestic operations increased 39.2% primarily due to acquisitions and the effect of new business gains. Commissions and fees from domestic operations increased 32.7% in 1996 and 5.8% in 1995.

Other income increased 20.2% in 1997, 24.6% in 1996 and 26.6% in 1995. The increases were primarily due to the proceeds from the sale of investments, primarily All American Communications, Inc. in 1997, CKS Group, Inc. and Spotlink in 1996 and Fremantle International, Inc. in 1995.

Total operating expenses worldwide increased 23.2% in 1997, 15.7% in 1996, and 8.7% in 1995. Cost increases for both domestic and international are in line with revenue increases. Operating expenses outside the United States increased 10.6% in 1997, 6.6% in 1996 and 12.2% in 1995. Domestic operating expenses increased 42.2% in 1997, 32.8% in 1996 and 2.6% in 1995. The 1997 increase in domestic operating expenses resulted from a greater proportion of the Company's earnings being generated domestically.

Significant portions of the Company's expenses relate to employee compensation and various employee incentive and benefit programs which are based primarily upon operating results. In 1997, as part of its continuing cost containment efforts, the Company announced that it was curtailing its domestic pension plan effective April 1, 1998 and recorded pre-tax charges of approximately $16.7 million. The Company will realize a pre-tax savings of approximately $9 million per year. The Company continues to sponsor a domestic defined contribution plan.

Interest expense increased 21.3% in 1997 after increasing 7.2% and 15.5% in 1996 and 1995, respectively. The increase in 1997 was primarily attributable to the issuance of the 1.80% Convertible Subordinated Notes due 2004 and additional financing of acquisitions.

Equity in net income of unconsolidated affiliates decreased in 1997, after increasing in 1996 and 1995. The decrease in equity income in 1997 primarily resulted from the consolidation of a company previously accounted for on the equity basis. The 1996 and 1995 increases were primarily due to the Company's investment in Campbell Mithun Esty.

Income applicable to minority interests increased in 1997, 1996 and 1995 primarily due to the strong performance of companies which were not wholly owned as well as the consolidation of a company with a significant minority interest in 1997, which was previously accounted for on the equity basis.

In 1995, the Company wrote down goodwill and other related assets of $38.2 million or $.33 per share (basic). The reason for the write-down was that the carrying value of the assets exceeded management's estimate of the fair value of these operations which was based primarily on discounted projected cash flows.

The Company's effective income tax rate was 41.9% in 1997, 42.0% in 1996 and 48.3% in 1995. The higher rate in 1995 was primarily attributable to the impact of the write-down of goodwill and other related assets of $38.2 million.

The Company's management continuously evaluates and manages its exposure to exchange, economic, and political risks. The 1997 exchange crisis in Asia had a minimal impact on the Company partly due to the agency systems' contingency plans that included active hedging, repatriation of cash, cost-cutting, and capital improvement freezes.

The Company is engaged in a global effort to assess the required modification or replacement of its internal software to become Year 2000 compliant. Additionally, the Company is working with its major software providers to ensure that they are Year 2000 compliant. Management believes that the required software changes will be completed without causing operational issues. The costs of addressing the Year 2000 issues are not expected to have a material adverse impact on the Company's financial condition or results of operations.

FINANCIAL STATEMENTS
THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
DECEMBER 31
(Dollars in thousands except per share data)

ASSETS	1997	1996
CURRENT ASSETS:		
Cash and cash equivalents (includes certificates of deposit: 1997-$256,934; 1996-$83,680)	$ 715,206	$ 468,526
Marketable securities	30,739	35,408
Receivables (net of allowance for doubtful accounts: 1997-$39,439; 1996-$33,301)	2,987,688	2,646,259
Expenditures billable to clients	188,402	130,185
Prepaid expenses and other current assets	103,620	73,081
Total current assets	4,025,655	3,353,459
OTHER ASSETS:		
Investment in unconsolidated affiliates	46,665	102,711
Deferred taxes on income	48,752	79,371
Other investments and miscellaneous assets	208,497	173,308
Total other assets	303,914	355,390
FIXED ASSETS, at cost:		
Land and buildings	83,621	82,332
Furniture and equipment	476,955	413,029
	560,576	495,361
Less: accumulated depreciation	312,089	276,448
	248,487	218,913
Unamortized leasehold improvements	100,323	88,045
Total fixed assets	348,810	306,958
INTANGIBLE ASSETS (net of accumulated amortization: 1997-$225,830; 1996-$186,189)	1,024,142	749,323
TOTAL ASSETS	$5,702,521	$4,765,130

The accompanying notes are an integral part of these financial statements.

FINANCIAL STATEMENTS
INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
DECEMBER 31
(Dollars in thousands except per share data)

LIABILITIES AND STOCKHOLDERS' EQUITY	1997	1996*
CURRENT LIABILITIES:		
Payable to banks	$ 157,555	$ 121,655
Accounts payable	3,013,559	2,626,695
Accrued expenses	429,451	317,157
Accrued income taxes	151,076	133,522
Total current liabilities	3,751,641	3,199,029
NONCURRENT LIABILITIES:		
Long-term debt	250,947	231,760
Convertible subordinated debentures and notes	201,768	115,192
Deferred compensation and reserve for termination allowances	247,747	210,670
Accrued postretirement benefits	47,404	46,726
Other noncurrent liabilities	63,942	66,457
Minority interests in consolidated subsidiaries	31,917	23,281
Total noncurrent liabilities	843,725	694,086

STOCKHOLDERS' EQUITY:		
Preferred Stock, no par value		
shares authorized: 20,000,000		
shares issued: none		
Common Stock, $.10 par value		
shares authorized: 225,000,000		
shares issued:		
1997 - 143,567,843;		
1996 - 136,410,542	14,357	13,641
Additional paid-in capital	631,757	465,945
Retained earnings	1,036,306	855,113
Adjustment for minimum pension liability	(13,207)	(12,979)
Net unrealized gain on equity securities	12,405	-
Cumulative translation adjustment	(154,093)	(82,978)
	1,527,525	1,238,742
Less:		
Treasury stock, at cost:		
1997 - 12,749,317 shares;		
1996 - 14,712,143 shares	363,736	319,377
Unamortized expense of restricted stock grants	56,634	47,350
Total stockholders' equity	1,107,155	872,015
COMMITMENTS AND CONTINGENCIES (SEE NOTE 15)		
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$5,702,521	$4,765,130

* Restated to reflect a three-for-two stock split effected July 1997.

FINANCIAL STATEMENTS
THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF INCOME
YEAR ENDED DECEMBER 31
(Dollars in thousands except per share data)

	1997	1996*	1995*
Commissions and fees	$2,997,202	$2,430,508	$2,093,832
Other income	128,644	107,008	85,907
Gross income	3,125,846	2,537,516	2,179,739
Salaries and related expenses	1,684,841	1,344,238	1,149,964
Office and general expenses	950,285	795,367	699,423
Interest expense	49,445	40,765	38,020
Write-down of goodwill and other related assets	-	-	38,177
Total costs and expenses	2,684,571	2,180,370	1,925,584
Income before provision for income taxes	441,275	357,146	254,155
Provision for income taxes	184,883	150,003	122,743
Income of consolidated companies	256,392	207,143	131,412
Income applicable to minority interests	(23,754)	(14,382)	(7,686)
Equity in net income of unconsolidated affiliates	6,508	12,444	6,086
Net Income	$ 239,146	$ 205,205	$ 129,812
Per Share Data:			
Basic EPS	$1.98	$1.76	$1.14
Diluted EPS	$1.90	$1.69	$1.11

* Per share data has been restated to reflect a three-for-two stock split effected July 1997.

The accompanying notes are an integral part of these financial statements.

FINANCIAL STATEMENTS

(Dollars in thousands) THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

	YEAR ENDED DECEMBER 31		
CASH FLOWS FROM OPERATING ACTIVITIES:	1997	1996	1995
Net Income	$239,146	$205,205	$129,812
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization of fixed assets	74,953	60,457	49,967
Amortization of intangible assets	39,641	28,516	27,628
Amortization of restricted stock awards	16,222	14,451	13,558
Provision for deferred income taxes	12,660	4,072	(18,535)
Noncash pension plan charges	16,700	-	-
Equity in net income of unconsolidated affiliates	(6,508)	(12,444)	(6,086)
Income applicable to minority interests	23,754	14,382	7,686
Translation losses	1,321	3,484	4,071
Write-down of goodwill and other related assets	-	-	38,177
Sale of investments	(44,598)	(35,043)	-
Other	(9,515)	(6,513)	(9,526)
Change in assets and liabilities, net of acquisitions:			
Receivables	(309,862)	(243,701)	(243,109)
Expenditures billable to clients	(25,595)	(12,720)	(2,107)
Prepaid expenses and other assets	(15,517)	(36,496)	(30,008)
Accounts payable and accrued expenses	249,565	263,859	182,580
Accrued income taxes	1,957	22,538	11,633
Deferred compensation and reserve for termination allowances	12,790	(21,021)	8,638
Net cash provided by operating activities	277,114	249,026	164,379
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisitions, net	(80,078)	(51,348)	(64,224)
Capital expenditures	(96,903)	(79,081)	(69,562)
Proceeds from sales of assets	113,327	39,398	1,722
Net proceeds from(net purchase of) marketable securities	189	1,037	(8,524)
Investment in unconsolidated affiliates	(8,371)	17,210	(14,044)
Net cash used in investing activities	(71,836)	(72,784)	(154,632)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Increase (decrease)in short-term borrowings	21,756	(25,178)	17,565
Proceeds from long-term debt	254,759	75,514	67,858
Payments of long-term debt	(22,824)	(51,581)	(14,682)
Treasury stock acquired	(144,094)	(86,949)	(69,720)
Issuance of common stock	36,862	19,588	

31,206

Cash dividends	(61,242)	(51,786)	(46,124)
Net cash provided by (used in) financing activities	85,217	(120,392)	(13,897)
Effect of exchange rates on cash and cash equivalents	(43,815)	(5,772)	8,889
Increase in cash and cash equivalents	246,680	50,078	4,739
Cash and cash equivalents at beginning of year	468,526	418,448	413,709
Cash and cash equivalents at end of year	$715,206	$468,526	$418,448

The accompanying notes are an integral part of these financial statements.

FINANCIAL STATEMENTS

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE THREE-YEAR PERIOD ENDED DECEMBER 31, 1997
(Dollars in thousands)

Net
Unrealized
Unamortized
Additional Minimum Gain
on Cumulative Expense
Common Paid-In Retained Pension
Equity Translation Treasury of Restricted
Stock Capital Earnings Liability
Securities Adjustment Stock
Stock Grants

BALANCES, DECEMBER 31, 1996 $13,641* $465,945 $855,113* $(12,979) $
- - $(82,978) $319,377 $
47,350
Net income 239,146
Cash dividends (61,242)
Foreign currency translation
adjustment
(71,115)
Awards of common stock under Company
plans:
Management incentive compensation 534
Achievement stock awards 253
(175)
Restricted stock 53 27,821
27,873
Employee stock purchases 23 9,684
Exercise of stock options 138 27,905
Purchase of Company's own stock
144,094
Tax benefit relating to
exercise of stock options 12,950
Restricted Stock: Forfeitures
3,664 (2,367)
Amortization
(16,222)
Issuance of shares for acquisitions (31,692) 3,348
(103,224)
Conversion of convertible
debentures 443 118,357
Adjustment for minimum pension
liability (228)
Par value of shares issued
for three-for-two stock split 59 (59)
Change in market value of
securities available-for-sale
12,405

BALANCES, DECEMBER 31, 1997 $14,357 $631,757 $1,036,306 $(13,207) $
12,405 $(154,093) $363,736 $ 56,634

FINANCIAL STATEMENTS

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

FOR THE THREE-YEAR PERIOD ENDED DECEMBER 31, 1997

(Dollars in thousands)

	Common Stock	Additional Paid-In Capital	Retained Earnings	Unamortized Minimum Pension Liability	Net Unrealized Gain on Equity Securities	Cumulative Translation Adjustment	Treasury Stock	Unamortized Expense of Restricted Stock Grants
BALANCES, DECEMBER 31, 1995	$8,963	$446,931	$704,946	$(9,088)	$ - -	$(93,436)	$268,946	$ 39,664
Net income			205,205					
Cash dividends			(51,786)					
Foreign currency translation adjustment						10,458		
Awards of common stock under Company plans:								
Management incentive compensation		172						
Achievement stock awards		159					(103)	
Restricted stock	50	22,831						23,247
Employee stock purchases	19	7,273						
Exercise of stock options	61	12,738						
Purchase of Company's own stock							86,949	
Tax benefit relating to exercise of stock options		4,381						
Restricted Stock: Forfeitures	(1)						1,244	(1,110)
Amortization								(14,451)
Issuance of shares for acquisitions		(29,463)	1,295				(37,659)	
Conversion of convertible debentures	2	923						
Adjustment for minimum pension liability				(3,891)				
Par value of shares issued for three-for-two stock split	4,547		(4,547)					
BALANCES, DECEMBER 31, 1996	$13,641*	$465,945	$855,113*	$(12,979)	$ - -	$(82,978)	$319,377	$ 47,350

* Restated to reflect three-for-two stock split effected July 1997.

FINANCIAL STATEMENTS

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

FOR THE THREE-YEAR PERIOD ENDED DECEMBER 31, 1997

(Dollars in thousands)

	Common Stock	Additional Paid-In Capital	Retained Earnings	Unamortized Minimum Pension Liability	Net Unrealized Gain on Equity Securities	Cumulative Translation Adjustment	Treasury Stock	Unamortized Expense of Restricted Stock Grants

BALANCES, DECEMBER 31, 1994 $8,771 $383,678 $619,627 $(6,422) $
- - $ (97,587) $222,698
$35,942
Net income 129,812
Cash dividends (46,124)
Foreign currency translation
adjustment
4,151
Awards of common stock under Company
plans:
Achievement stock awards 167
(98)
Restricted stock 50 18,256
18,306
Employee stock purchases 15 5,073
Exercise of stock options 127 28,849
Purchase of Company's own stock
75,229
Tax benefit relating to
exercise of stock options 5,809
Restricted Stock: Forfeitures
1,608 (1,026)
Amortization
(13,558)
Issuance of shares for acquisitions 5,099 1,631
(30,491)
Adjustment for minimum pension
liability (2,666)

BALANCES, DECEMBER 31, 1995 $8,963 $446,931 $704,946 $(9,088) $
- - $(93,436) $268,946 $39,664

The accompanying notes are an integral part of these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations: The Company is a worldwide provider of advertising agency and related services. The Company conducts business through the following subsidiaries: McCann-Erickson WorldGroup, Ammirati Puris Lintas, The Lowe Group, Western International Media, DraftWorldwide, Allied Communications Group, Octagon and other related companies. Interpublic also has arrangements through association with local agencies in various parts of the world. Other "marketing communications" activities conducted by the Company are market research, sales promotion, product development, direct marketing, telemarketing and other related services.

Principles of Consolidation: The consolidated financial statements include the accounts of the Company and its subsidiaries, most of which are wholly owned. The Company also has certain investments in unconsolidated affiliates that are carried on the equity basis.

Short-term and Long-term Investments: The Company's investments in marketable and equity securities are categorized as available-for-sale securities, as defined by Statement of Financial Accounting Standards No. 115, (SFAS 115),"Accounting for Certain Investments in Debt and Equity Securities". Unrealized holding gains and losses are reflected as a net amount in a separate component of stockholders' equity until realized. The cost of securities sold is based on the average cost of securities when computing realized gains and losses.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Translation of Foreign Currencies: Balance sheet accounts are translated principally at rates of exchange prevailing at the end of the year except for fixed assets and related depreciation in countries with highly inflationary economies which are translated at rates in effect on dates of acquisition. Revenue and expense accounts are translated at average rates of exchange in effect during each year. Translation adjustments are included as a separate component of stockholders' equity except for countries with highly inflationary economies, which are included in current operations.

Commissions, Fees and Costs: Commissions and fees are generally recognized when media placements appear and production costs are incurred. Salaries and other agency costs are generally expensed as incurred.

Depreciation and Amortization: Depreciation is computed principally using the straight-line method over estimated useful lives of the related assets, ranging generally from 3 to 20 years for furniture and equipment and from 10 to 45 years for various component parts of buildings.

Leasehold improvements and rights are amortized over the terms of related leases. Company policy provides for the capitalization of all major expenditures for renewal and improvements and for current charges to income for repairs and maintenance.

Long-lived Assets: The excess of purchase price over the fair value of net tangible assets acquired is amortized on a straight-line basis over periods not exceeding 40 years.

The Company evaluates the recoverability of the carrying value of long-lived assets whenever events or changes in circumstances indicate that the net book value of an operation may not be recoverable. If the sum of projected future undiscounted cash flows of an operation is less than its carrying value, an impairment loss is recognized. The impairment loss is measured by the excess of the carrying value over fair value based on estimated discounted future cash flows or other valuation measures.

Income Taxes: Deferred income taxes reflect the impact of temporary differences between the amount of assets and liabilities recognized for financial reporting purposes and such amounts recognized for income tax purposes.

Earnings per Common and Common Equivalent Share: As further discussed in Note 3, the Company adopted Statement of Financial Accounting Standards No. 128, (SFAS 128), "Earnings Per Share", in the fourth quarter of 1997. Basic earnings per share is based on the weighted-average number of common shares outstanding during each year. Diluted earnings per share also includes common equivalent shares applicable to grants under the stock incentive and stock option plans and the assumed conversion of convertible subordinated debentures and notes, if they are determined to be dilutive.

Treasury Stock: Treasury stock is acquired at market value and is recorded at cost. Issuances are accounted for on a first in, first out basis.

Concentrations of Credit Risk: The Company's clients are in various businesses, located primarily in North America, Latin America, Europe and the Pacific Region. The Company performs ongoing credit evaluations of its clients. Reserves for credit losses are maintained at levels considered adequate by management. The Company invests its excess cash in deposits with major banks and in money market securities. These securities typically mature within 90 days and bear minimal risk.

NOTE 2: STOCKHOLDERS' EQUITY

On May 19, 1997, the stockholders approved an increase in the number of authorized common shares from 150,000,000 shares to 225,000,000 shares. The stockholders also approved a three-for-two stock split, effected in the form of a 50% stock dividend paid on July 15, 1997 to stockholders of record as of June 27, 1997. The number of shares reserved for issuance pursuant to various plans under which stock is issued was increased by 50%. The three-for-two stock split has been reflected retroactively in the consolidated financial statements and all per share data, shares, and market prices of the Company's common stock included in the consolidated financial statements and notes thereto have been adjusted to give effect to the stock split.

The Company has a Preferred Share Rights Plan designed to deter coercive takeover tactics. Pursuant to this plan, common stockholders are entitled to purchase 1/100 of a share of preferred stock at an exercise price of

$100 if a person or group acquires or commences a tender offer for 15% or more of Interpublic's common stock. Rights holders (other than the 15% stockholder) will also be entitled to buy, for the $100 exercise price, shares of Interpublic's common stock with a market value of $200 in the event a person or group actually acquires 15% or more of Interpublic's common stock. Rights may be redeemed at $.01 per right under certain circumstances.

NOTE 3: EARNINGS PER SHARE

In the fourth quarter of 1997, the Company adopted Statement of Financial Accounting Standards No. 128, (SFAS 128), "Earnings Per Share", which specifies the method of computation, presentation and disclosure for earnings per share(EPS). SFAS 128 replaces the presentation of primary EPS with basic EPS and requires dual presentation of basic and diluted EPS. All prior period EPS data has been restated to comply with SFAS 128 and to reflect the three-for-two stock split effected July 1997.

In accordance with SFAS 128, the following is a reconciliation of the components of the basic and diluted EPS computations for income available to common stockholders:

FOR THE YEAR ENDED DECEMBER 31,

(Dollars in thousands)

	1997			1996			1995		
	INCOME	SHARES	PER SHARE AMOUNT	INCOME	SHARES	PER SHARE AMOUNT	INCOME	SHARES	PER SHARE AMOUNT
BASIC EPS									
Income available to common stockholders	$239,146	120,984,168	$1.98	$205,205	116,843,475	$1.76	$129,812	113,634,945	$1.14
EFFECT OF DILUTIVE SECURITIES									
Options		2,910,648			2,219,373			1,921,923	
Restricted stock	447	1,638,646		384	1,605,564		461	2,080,067	
3 3/4% Convertible Subordinated Debentures	5,929	4,010,291		6,410	4,466,502				
DILUTED EPS	$245,522	129,543,753	$1.90	$211,999	125,134,914	$1.69	$130,273	117,636,935	$1.11

The computation of diluted EPS for 1995 and 1997 excludes the assumed conversion of the 3 3/4% Convertible Subordinated Debentures and the 1.80% Convertible Subordinated Notes, respectively, because they were antidilutive.

NOTE 4: ACQUISITIONS AND RELATED COSTS

The Company acquired a number of advertising and communications companies during the three year period ended December 31, 1997. The aggregate purchase price, including cash and stock payments, was $301 million, $172 million and $140 million in 1997, 1996 and 1995, respectively. All prior years' share data has been restated to reflect a three-for-two stock split effected July 1997.

In 1997, 4,059,255 shares of the Company's common stock were issued for acquisitions accounted for as poolings of interests. Some of the companies pooled and the respective shares of the Company's common stock issued were Complete Medical Group- 708,789 shares, Integrated Communications Corporation - 585,054 shares, Advantage International- 579,206 shares and Ludgate- 539,459 shares. Additional companies accounted for as poolings of interests include Adler Boschetto Peebles, Barnett Fletcher, Davies Baron, Diefenbach Elkins, D.L. Blair, Rubin Barney & Birger, Inc. and Technology Solutions Inc.

In 1997, the Company also paid $80 million in cash and issued 1,200,059 shares of its common stock for acquisitions accounted for as purchases and equity investments. Such acquisitions included Marketing Corporation of America, Medialog, The Sponsorship Group, Kaleidoscope and Addis Wechsler (51% interest). The Company also increased its interest in Campbell Mithun Esty by 25%. The Company also recorded acquisition related deferred payments of $38 million.

In 1996, the Company issued 3,519,847 shares of its stock for acquisitions accounted for as poolings of interests. Pooled companies included DraftDirect- 2,736,914 shares, The Weber Group- 495,996 shares and Torre Renta Lazur- 286,937 shares.

During 1996, the Company paid $56 million in cash and issued 190,653 shares of its common stock for acquisitions accounted for as purchases and equity investments. Such acquisitions included Angotti Thomas Hedge, Jay Advertising, Media Inc., McAdams Healthcare, GGK (49% interest) and Goldberg Moser O'Neill (49% interest).

In 1995, the Company acquired Anderson & Lembke and Addison Whitney for 881,763 and 391,134 shares of its common stock, respectively. These acquisitions were accounted for as poolings of interests. The Company also issued 1,364,039 shares of its common stock and paid $45 million in cash for companies accounted for as purchases and equity investments. Such acquisitions included Newspaper Services of America, Kevin Morley Marketing, Bosch & Butz (80% interest), Mark Goodson Productions (50% interest), Campbell Mithun Esty (50% interest) and CKS Group, Inc. (28% interest).

The Company's financial statements were not restated for poolings of interests as the Company's consolidated results would not have changed significantly. Deferred payments of both cash and shares of the Company's common stock for prior years' acquisitions were $43 million, $16 million, and $27 million in 1997, 1996 and 1995, respectively.

During 1997, the Company sold its investment in All American Communications, Inc. for approximately $77 million. During 1996, the Company sold its 50% investment in Mark Goodson Productions for approximately $29 million, a portion of its investment in CKS Group, Inc. for $37.6 million and its investment in Spotlink for $11.7 million in shares of the purchaser's common stock.

In the fourth quarter of 1995, the Company adopted Statement of Financial Accounting Standards No. 121, (SFAS 121), "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of". SFAS 121 established accounting standards for the recognition and the measurement of impairment of long-lived assets and certain identifiable intangibles including goodwill. As a result of the adoption of SFAS 121, the Company recorded a noncash charge of $38.2 million, comprised of a write-down of $25.8 million for goodwill and $12.4 million for investments and advances.

The write-down related to sixteen separate operating units, primarily advertising and promotion agencies. All but two of these units are located in Europe or North America and were acquired between 1978 and 1994. The reason for the write-down was that the carrying value of the assets exceeded management's estimate of the fair value of these operations which was based primarily on discounted projected cash flows. The fair values estimated by management took into consideration the following: the profitability and trend in profitability of each of the operations, the effects of economic recessions in the various markets, changes in client relationships, trends in clients' spending patterns, the strength of the U.S. dollar relative to foreign currencies and additional political, economic and legal factors where applicable. In some instances, strategies had been implemented to improve operating results which did not prove successful and in some instances management reached a decision in 1995 to sell, merge, or discontinue the operations.

NOTE 5: PROVISION FOR INCOME TAXES

The Company accounts for income taxes under Statement of Financial Accounting Standards No. 109, (SFAS 109), "Accounting for Income Taxes". SFAS 109 applies an asset and liability approach that requires the recognition of deferred tax assets and liabilities with respect to the expected future tax consequences of events that have been recognized in the consolidated financial statements and tax returns.

The components of income before provision for income taxes are as follows:

(Dollars in thousands)	1997	1996	1995
Domestic	$214,584	$169,919	$107,431
Foreign	226,691	187,227	146,724
Total	$441,275	$357,146	$254,155

The provision for income taxes consisted of:

(Dollars in thousands)	1997	1996	1995
Federal income taxes (including foreign withholding taxes):			
Current	$ 65,373	$ 56,289	$ 37,149
Deferred	8,234	246	3,751
	73,607	56,535	40,900
State and local income taxes:			
Current	21,529	19,830	11,741
Deferred	1,944	2,824	625
	23,473	22,654	12,366
Foreign income taxes:			
Current	85,321	69,812	61,255
Deferred	2,482	1,002	8,222
	87,803	70,814	69,477
Total	$184,883	$150,003	$122,743

At December 31, 1997 and 1996 the deferred tax assets/(liabilities) consisted of the following items:

(Dollars in thousands)	1997	1996
Postretirement/postemployment benefits	$ 39,318	$ 38,588
Deferred compensation	7,934	9,759
Pension costs	11,873	6,785
Depreciation	(9,072)	(7,733)
Rent	(3,979)	10,364
Interest	2,056	6,051
Accrued reserves	4,361	4,551
Investments in equity securities	(8,956)	-
Tax loss/tax credit carryforwards	22,172	22,510
Other	(4,798)	3,016
Total deferred tax assets	60,909	93,891
Deferred tax valuation allowance	12,157	14,520
Net deferred tax assets	$ 48,752	$ 79,371

The valuation allowance of $12,157,000 and $14,520,000 at December 31, 1997 and 1996, respectively, represents a provision for uncertainty as to the realization of certain deferred tax assets, including U.S. tax credit and net operating loss carryforwards in certain jurisdictions. The change during 1997 in the deferred tax valuation allowance primarily relates to the utilization of the tax credit and net operating loss carryforwards. At December 31, 1997 there were $7,052,000 of tax credit carryforwards with expiration periods through 2002 and net operating loss carryforwards with a tax effect of $15,120,000 with various expiration periods. The Company has concluded that based upon expected future results, it is more likely than not that the net deferred tax asset balance will be realized.

A reconciliation of the effective income tax rate as shown in the consolidated statement of income to the federal statutory rate is as follows:

	1997	1996	1995
Statutory federal income tax rate	35.0%	35.0%	35.0%
State and local income taxes, net of federal income tax benefit	3.5	2.9	3.2
Impact of foreign operations, including withholding taxes	1.0	1.1	3.8
Goodwill and intangible assets	2.5	2.5	7.3
Other	(0.1)	0.5	(1.0)
Effective tax rate	41.9%	42.0%	48.3%

The total amount of undistributed earnings of foreign subsidiaries for income tax purposes was approximately $415.4 million at December 31, 1997. No provision has been made for foreign withholding taxes or United States income taxes which may become payable if undistributed earnings of foreign subsidiaries were paid as dividends to the Company, since a major portion of these earnings has been reinvested in working capital and other business needs. The additional taxes on that portion of undistributed earnings which is available for dividends are not practicably determinable.

NOTE 6: INCENTIVE PLANS
The 1997 Performance Incentive Plan, ("1997 PIP Plan"), approved by the Company's stockholders in May 1997, replaced the Company's Management Incentive Compensation Plan, Long-Term Performance Incentive Plan, 1996 Stock Incentive Plan and the 1986 Stock Incentive Plan ("Predecessor Plans"). Awards made under the Predecessor Plans remain subject to their terms and conditions. The 1997 PIP Plan includes the following types of awards: (1) stock options, (2) stock appreciation rights, (3) restricted stock, (4) phantom shares, (5) performance units and (6) management incentive compensation performance awards.

The maximum number of shares of the Company's common stock which may be granted in any year under the 1997 PIP Plan, excluding management incentive compensation performance awards, is equal to a base amount (1.85% of the total number of shares of the Company's common stock outstanding on the first day of the year) supplemented by additional shares as defined in the 1997 PIP Plan document. The 1997 PIP Plan also limits the number of shares available with respect to stock option and stock appreciation rights awards made each year to any one participant as well as the number of shares available under certain types of awards.

The following discussion relates to transactions under the 1997 PIP Plan, the Predecessor Plans as well as other incentive plans. Except as otherwise noted, awards under the 1997 PIP Plan have terms similar to awards made under the respective Predecessor Plans. All prior years' EPS and share data has been restated to reflect a three-for-two stock split effected July 1997.

Stock Options
The 1997 PIP Plan provides for the granting of either incentive stock options (ISO's) or nonstatutory options to purchase shares at the fair value of the Company's common stock on the date of grant. The Compensation Committee of the Board of Directors, (the "Committee"), is responsible for determining the vesting terms and the exercise period of each grant within the limitations set forth in the 1997 PIP Plan document.

Outstanding options are generally granted at the fair market value of the Company's common stock on the date of grant and are exercisable based on a schedule determined by the Committee. Generally, options become exercisable between two and five years after the date of grant and expire ten years from the date of grant.

Under the 1988 Stock Option Plan, the Company can grant, through 1998, options to purchase 900,000 shares of the Company's common stock to key employees who are employed outside the United States. As permitted under this Plan, certain options were granted at prices less than the market value of the Company's common stock.

The Company also maintains a stock plan for outside directors. Under this plan, 300,000 shares of common stock of the Company are reserved for issuance. Stock options under this plan are awarded at the fair market value of the Company's common stock on the date the option is granted. Options generally become exercisable three years after the date of grant and expire ten years from the date of grant.

Following is a summary of stock option transactions during the three-year period ended December 31, 1997:

	Number of Shares Under Option	Weighted-Average Exercise Price
Balance, December 31, 1994	9,135,213	$16
Exercisable, December 31, 1994	2,345,247	10
New Awards	3,115,196	22
Exercised	(1,903,550)	14
Cancelled	(409,707)	20
Balance, December 31, 1995	9,937,152	22
Exercisable, December 31, 1995	4,538,483	11
New Awards	3,503,580	31

Exercised	(907,866)	14
Cancelled	(466,923)	22
Balance, December 31, 1996	12,065,943	22
Exercisable, December 31, 1996	3,846,002	14
New Awards	2,210,980	38
Exercised	(1,733,559)	16
Cancelled	(521,160)	24
Balance, December 31, 1997	12,022,204	26
Exercisable, December 31, 1997	4,201,219	17

The following table summarizes information about stock options outstanding at December 31, 1997:

Range of Exercise Prices	Number Outstanding at 12/31/97	Weighted-Average Remaining Contractual Life	Weighted-Average Exercise Price	Number Exercisable at 12/31/97	Weighted-Average Exercise Price
$4.91 to $14.99	2,255,982	3.50	$14	2,252,156	$14
15.00 to 21.99	3,751,339	6.19	21	1,812,194	20
22.00 to 31.99	3,772,182	8.19	30	136,869	25
32.00 to 49.09	2,242,701	9.34	39	-	-

Stock Appreciation Rights
The 1997 PIP Plan permits the Company to grant stock appreciation rights. A stock appreciation right entitles the holder to receive an amount equal to the fair market value of a share of common stock of the Company on the date of exercise over a base price. No such awards have been made to date.

Restricted Stock
Various incentive plans incorporate the issuance of restricted stock subject to certain restrictions and vesting requirements determined by the Committee.

Restricted stock awards are subject to certain restrictions and vesting requirements, generally five to seven years. No monetary consideration is paid by a recipient for a restricted stock award. The cost of these shares is amortized over the restriction periods. The Committee is authorized to direct that discretionary tax assistance payments may be made to recipients when the restrictions lapse. Such payments are expensed as awarded. At December 31, 1997, there were a total of 3,589,605 shares of restricted stock outstanding. During 1997, 1996 and 1995, the Company awarded 699,257 shares, 720,903 shares and 745,842 shares of restricted stock with a weighted-average grant date fair value of $38.96, $31.14 and $24.55, respectively.

Restricted shares under the Outside Directors' Plan are subject to certain restrictions and vesting requirements, generally five years. At December 31, 1997, there were 18,000 shares of restricted stock outstanding. During 1997, the Company awarded 6,000 shares under this Plan with a weighted-average grant date fair value of $40.

Phantom Shares
The 1997 PIP Plan permits the Company to grant phantom shares. A phantom share represents the right of the holder to receive an amount determined by the Committee based on the achievement of performance goals. No such grants have been made under the 1997 PIP Plan.

Performance Units
The 1997 PIP Plan and its predecessor, the Long-Term Performance Incentive Plan, permit the Company to grant performance units. Performance units represent the contractual right of the holder to receive a payment that becomes vested upon the attainment of performance objectives determined by the Committee.

Grants consisting of performance units have been awarded to certain key employees of the Company and its subsidiaries. The ultimate value of these performance units is contingent upon the annual growth of profit (as defined) of the Company, its operating components or both, over the 1995-

1998 and 1997-2000 performance periods. The awards are generally paid in cash. The projected value of these units is accrued by the Company and charged to expense over the four-year performance period.

The Company expensed $19.9 million in 1997, $13.6 million in 1996 and $9.6 million in 1995 relating to performance units. As of December 31, 1997, the Company's liability for the 1995-1998 and 1997-2000 performance periods was $31.7 million, which represents a proportionate part of the total estimated amounts payable for the two performance periods. The Company's payout to participants for the 1993-1996 performance period was $20.2 million, of which $7.9 million was paid in December 1996, and the remaining $12.3 million was paid in the first quarter of 1997.

Management Incentive Compensation Plan

Under the management incentive compensation component of the 1997 PIP Plan the Committee is authorized to make management incentive compensation awards to employees of the Company and its subsidiaries and affiliates, subject to the limitation that no individual may receive in excess of $2 million and certain limitations of common shares issued.

Miscellaneous Incentive Arrangements

Under the Employee Stock Purchase Plan (ESPP), employees may purchase common stock of the Company through payroll deductions not exceeding 10% of their compensation. The price an employee pays for a share of stock is 85% of the market price on the last business day of the month. The Company issued 281,852 shares, 279,879 shares and 237,821 shares during 1997, 1996 and 1995, respectively, under the ESPP. An additional 8,305,378 shares were reserved for issuance at December 31, 1997.

Under the Company's Achievement Stock Award Plan, awards may be made up to an aggregate of 1,872,000 shares of common stock together with cash awards to cover any applicable withholding taxes. The Company issued 10,130 shares, 8,505 shares and 10,778 shares during 1997, 1996 and 1995, respectively, under this plan. The weighted-average fair value on the dates of grant in 1997, 1996 and 1995 was $42.25, $30.86 and $24.73, respectively.

SFAS 123 Disclosures

The Company adopted Statement of Financial Accounting Standards No. 123, (SFAS 123), "Accounting for Stock-Based Compensation" in the fourth quarter of 1996. As permitted by the provisions of SFAS 123, the Company applies APB Opinion 25, "Accounting for Stock Issued to Employees", and related interpretations in accounting for its stock-based employee compensation plans. Accordingly, no compensation cost has been recognized for the Company's stock options or for purchases under the ESPP. The cost recorded for restricted stock and achievement stock awards in 1997, 1996 and 1995 was $16,684,652, $14,527,086 and $13,738,872, respectively. If compensation cost for the Company's stock option plans and its ESPP had been determined based on the fair value at the grant dates as defined by SFAS 123, the Company's pro forma net income and earnings per share would have been as follows:

		1997	1996	1995
		(Dollars in thousands except per share data)		
Net Income	As reported	$239,146	$205,205	$129,812
	Pro forma	$229,311	$198,219	$125,636
Earnings per share				
Basic	As reported	$1.98	$1.76	$1.14
	Pro forma	$1.90	$1.70	$1.11
Diluted	As reported	$1.90	$1.69	$1.11
	Pro forma	$1.82	$1.64	$1.07

For purposes of this pro forma information, the fair value of shares issued under the ESPP was based on the 15% discount received by the employees. The weighted-average fair value on the date of purchase for stock purchased under this Plan was $5.36, $4.60 and $3.72 in 1997, 1996 and 1995, respectively.

For purposes of this pro forma information, the fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions used for grants in 1997, 1996 and 1995, respectively: dividend yield of 1.3%, 1.41% and 1.72%; expected volatility of 19.17%, 20.71% and 22.08%; risk-free interest rate of 6.51%, 6.43% and 7.66%; and expected life of six years for each of the three years.

The weighted-average fair value on the dates of grant for options granted in 1997, 1996 and 1995 was $11.83, $9.63 and $7.26, respectively. As required by SFAS 123, this pro forma information is based on stock awards beginning in 1995 and accordingly is not likely to be representative of the pro forma effects in future years because options vest over several years and additional awards generally are made each year.

NOTE 7: RETIREMENT PLANS

Domestic Retirement Plan

The Company and certain of its domestic subsidiaries have a defined benefit plan ("Domestic Plan") and a defined contribution plan ("Savings Plan") which covers substantially all regular employees.

The Company announced that it was freezing benefit accruals under the Domestic Plan effective April 1, 1998. Participants with five or less years of service will become fully vested in the plan effective April 1, 1998. Participants with five or more years of service as of March 31, 1998 will retain their vested balances and participate in a new compensation plan. Under the new plan, each participant's account will be credited with an annual allocation, equal to the projected discounted pension benefit accrual plus interest, while they continue to work for the Company. Participants will be eligible to receive up to ten years of allocations coinciding with the number of years of service with the Company after March 31, 1998. As a result of the change in the Domestic Plan, the Company recorded charges of approximately $16.7 million in the 1997 consolidated financial statements.

The Company's policy was to fund pension costs as permitted by applicable tax regulations. Pension costs were determined by the projected unit credit method based upon career average pay. Funding requirements for the Domestic Plan were determined using the accrued benefit unit credit method. Under the "cash balance" formula, the participant's account balance was credited each year with an amount equal to the percentage of the year's annual compensation, plus interest credits. Participants in the Domestic Plan on December 31, 1991 who continued to work for the Company after that date had their normal retirement benefits under the plan as of that date converted on an actuarial basis into an opening account balance as of January 1, 1992.

Prior to the 1998 change in the Domestic Plan, the Company was required to record an intangible asset to the extent of unrecognized prior service cost and net transition obligation. In 1996 and 1995, the Company recorded an intangible asset of $10.4 million and $10.5 million, respectively. In addition, the Company recorded a reduction to stockholders' equity of $13.2 million, $13.0 million and $9.1 million, in 1997, 1996 and 1995, respectively.

Net pension costs for the Domestic Plan for 1997, 1996 and 1995 included the following components:

(Dollars in thousands)	1997	1996	1995
Service cost	$ 4,179	$ 4,057	$ 3,322
Interest cost	10,567	10,248	10,398
Actual return on plan assets	(14,346)	(10,983)	(20,622)
Amortization of unrecognized transition obligation	1,887	1,887	1,887
Amortization of unrecognized prior service cost	(1,276)	(1,769)	(1,769)
Amortization of unrecognized losses	943	1,005	309
Curtailment charge	9,727	-	-
Deferred investment gain	3,335	129	10,874
Net periodic pension cost	$15,016	$ 4,574	$ 4,399

The following table sets forth the funded status and amounts recognized for the Domestic Plan in the Company's consolidated balance sheet at December 31, 1997 and 1996:

(Dollars in thousands)	1997	1996
Actuarial present value of accumulated benefit obligation (including vested		

benefits of $130,707 in 1997 and $128,649 in 1996)	$130,707	$132,110
Actuarial present value of projected benefit obligation	134,348	139,142
Plan assets at fair value	115,944	112,284
Projected benefit obligation in excess of plan assets	(18,404)	(26,858)
Unrecognized net losses	13,207	20,010
Unrecognized prior service cost	-	902
Unrecognized net transition obligation	-	9,437
Additional minimum liability	(13,207)	(23,317)
Accrued pension liability	$(18,404)	$(19,826)

At December 31, 1997, Domestic Plan assets were primarily invested in fixed income and equity securities. Prior service costs were being amortized over the estimated average remaining service period of active employees. The initial net transition obligation was being amortized over 15 years.
A discount rate of 7.25% in 1997, 7.5% in 1996 and 7.25% in 1995 and a salary increase assumption of 6% in 1997, 1996 and 1995 were used in determining the actuarial present value of the projected benefit obligation. The expected return on assets was 10% in 1997, 1996 and 1995.

In addition to the defined benefit plan described above, the Company also sponsors a Savings Plan that covers substantially all domestic employees of the Company and participating subsidiaries who have completed one year of service. The Savings Plan permits participants to make contributions on a pre-tax and/or after-tax basis. The Savings Plan allows participants to designate in which fund(s) they want their contributions invested. The Company matches a portion of participants' contributions based upon the number of years of service. The Company contributed $6,320,738, $5,389,464 and $4,866,881 to the Savings Plan in 1997, 1996 and 1995, respectively.

Foreign Retirement Plans
The Company has several foreign pension plans in which benefits are based primarily on years of service and employee compensation. It is the Company's policy to fund these plans in accordance with local laws and income tax regulations.

Net pension costs for foreign pension plans for 1997, 1996 and 1995 included the following components:

(Dollars in thousands)	1997	1996	1995
Service cost	$ 5,266	$ 4,900	$ 5,276
Interest cost	10,589	10,084	11,054
Net return on plan assets	(10,506)	(9,077)	(8,738)
Net amortization and deferral	1,159	1,251	1,372
Unrecognized net gain	(1,745)	(2,026)	(1,367)
Other	-	(50)	-
Net pension costs	$ 4,763	$ 5,082	$ 7,597

The following table sets forth the funded status and amounts recognized for the foreign pension plans in the Company's consolidated balance sheet at December 31, 1997 and 1996:

(Dollars in thousands)	1997		1996	
	Assets Exceed Accumulated Benefits	Accumulated Benefits Exceed Assets	Assets Exceed Accumulated Benefits	Accumulated Benefits Exceed Assets
Actuarial present value of accumulated benefit obligation (including vested benefits of:				
1997 - $95,139 and $60,888; 1996 - $76,092 and $66,113)	$ 95,265	$ 64,650	$ 76,293	$ 71,779
Actuarial present value of projected benefit obligation	105,051	72,119	84,404	79,290
Plan assets at fair value	141,215	4,195	129,488	6,336
Projected benefit obligation less than (in excess of)				

plan assets	36,164	(67,924)	45,084	(72,954)
Unrecognized net (gain)/loss	(14,373)	1,490	(27,517)	(1,884)
Unrecognized prior service cost	3,524	-	4,519	-
Unrecognized net (asset) obligation	(1,043)	4,384	(1,492)	5,777
Prepaid (accrued) pension cost at December 31, 1997 and 1996	$ 24,272	$(62,050)	$ 20,594	$(69,061)

Foreign plans utilized discount rates ranging from 3.5% to 14.0% in 1997 and from 5.5% to 12.0% in both 1996 and 1995 and salary increase assumptions ranging from 2.0% to 10.0% in 1997, 1996 and 1995, to determine the actuarial present value of the projected benefit obligation. The expected rates of return on assets of foreign plans ranged from 3.5% to 14.0% in 1997 and 4.0% to 12.0% in both 1996 and 1995.

The Company also has special deferred benefit arrangements with certain key employees. Vesting is based upon the age of the employee and the terms of the employee's contract. Life insurance contracts have been purchased in amounts which may be used to fund these arrangements.

NOTE 8: POSTRETIREMENT AND POSTEMPLOYMENT BENEFITS

Postretirement Benefit Plans

The Company and its subsidiaries provide certain postretirement health care benefits for employees who were in the employ of the Company as of January 1, 1988, and life insurance benefits for employees who were in the employ of the Company as of December 1, 1961. The plans cover certain employees in the United States and certain key employees in foreign countries. Effective January 1, 1993, the Company's plan covering postretirement medical benefits was amended to place a cap on annual benefits payable to retirees. Such coverage is self-insured, but is administered by an insurance company.

The Company accrues the expected cost of postretirement benefits other than pensions over the period in which the active employees become eligible for such postretirement benefits.

The components of periodic expense for these postretirement benefits for 1997, 1996 and 1995 were as follows:

(Dollars in thousands)	1997	1996	1995
Service cost	$ 612	$ 610	$ 583
Interest cost	2,958	2,824	3,047
Amortization of prior service cost	(934)	(934)	(934)
Total periodic expense	$2,636	$2,500	$2,696

The following table sets forth the funded status and amounts recognized for the Company's postretirement benefit plans in the consolidated balance sheet at December 31, 1997 and 1996:

(Dollars in thousands)

	1997	1996
Accumulated postretirement benefit obligation:		
Retirees	$ 22,619	$ 21,227
Fully eligible active plan participants	5,484	5,110
Other active plan participants	13,534	12,420
Total accumulated postretirement benefit obligation	41,637	38,757
Plan assets at fair value	-	-
Accumulated postretirement benefit obligation in excess of plan assets	(41,637)	(38,757)
Unrecognized net loss	(2,004)	(3,272)
Unrecognized prior service cost	(3,763)	(4,697)
Accrued postretirement benefit liability	$(47,404)	$(46,726)

A discount rate of 7.25% in 1997, 7.50% in 1996 and 7.25% in 1995 and a salary increase assumption of 6.0% in 1997, 1996 and 1995 were used in determining the accumulated postretirement benefit obligation. A 9.0% and a 10.0% increase in the cost of covered health care benefits was assumed for 1997 and 1996, respectively. This rate is assumed to decrease incrementally to 5.5% in the year 2002 and remain at that level thereafter. The health care cost trend rate assumption does not have a significant effect on the amounts reported. For example, a 1% increase in the health care cost trend rate would increase the accumulated postretirement benefit obligation at December 31, 1997 by approximately $1.9 million, and the net periodic cost for 1997 by approximately $0.2 million.

Postemployment Benefits

Effective January 1, 1994, the Company adopted Statement of Financial Accounting Standards No. 112, (SFAS 112), "Employers' Accounting for Postemployment Benefits", and recognized a one-time after-tax charge of $21.8 million. This Statement requires the Company to accrue the costs of certain benefits which include severance, worker's compensation and health care coverage over an employee's service life.

The Company's liability for postemployment benefits totaled $43.3 million and $32.8 million at December 31, 1997 and 1996, respectively, and is included in deferred compensation and reserve for termination allowances. The net periodic expense recognized in 1997, 1996 and 1995 was $28.4 million, $21.1 million and $8.8 million, respectively.

NOTE 9: SHORT-TERM BORROWINGS

The Company and its domestic subsidiaries have lines of credit with various banks. These credit lines permit borrowings at fluctuating interest rates determined by the banks. Short-term borrowings by subsidiaries outside the United States principally consist of drawings against bank overdraft facilities and lines of credit. These borrowings bear interest at the prevailing local rates. Where required, the Company has guaranteed the repayment of the borrowings. Unused lines of credit by the Company and its subsidiaries at December 31, 1997 and 1996 aggregated $411 million and $313 million, respectively. The weighted-average interest rate on outstanding balances at December 31, 1997 was approximately 6.61%. Current maturities of long-term debt are included in the payable to banks balance.

NOTE 10: LONG-TERM DEBT

Long-term debt at December 31 consisted of the following:

	1997	1996
(Dollars in thousands)		
Convertible Subordinated Notes - 1.80%	$201,768	$ -
Convertible Subordinated Debentures - 3 3/4%	-	115,192
Term loans- 6.45% to 14.0%	233,333	202,414
Mortgage notes payable and other		
long-term loans- 4.0% to 16.0%	38,045	45,513
	473,146	363,119
Less: current portion	20,431	16,167
Long-term debt	$452,715	$346,952

On September 16, 1997, the Company issued $250 million face amount of Convertible Subordinated Notes due 2004 ("2004 Notes") with a coupon rate of 1.80%. The 2004 Notes were issued at an original price of 80% of the face amount, generating proceeds of approximately $200 million. The notes are convertible into 3.3 million shares of the Company's common stock at a conversion rate of 13.386 shares per $1,000 face amount. These shares have been reserved for the conversion of the notes. The fair value of the 2004 Notes as of December 31, 1997 was approximately $208 million and was determined by obtaining quotes from brokers.

In the fourth quarter of 1997, the Company called for redemption its 3 3/4% Convertible Subordinated Debentures due 2002. Substantially all of the outstanding debentures were converted into approximately 4.3 million shares of the Company's common stock.

The increase in term loans during 1997 was primarily due to an additional $50 million private placement with Prudential. Term loans at December 31, 1997 consisted of $146.7 million of private placements with Prudential, $25.0 million in term loans with First Chicago NBD, $40.0 million in term loans with SunTrust Bank, $20.0 million in term loans with Wachovia Bank and a $1.6 million private placement loan with Massachusetts Mutual.

Mortgage notes payable and other long-term loans at December 31, 1997 primarily related to a $31.6 million mortgage which was used to finance the purchase of a building and land by one of the Company's subsidiaries during 1993.

Under various loan agreements, the Company must maintain specified levels of net worth and meet certain cash flow requirements, and is limited in the level of indebtedness. The Company has complied with the limitations under the terms of these loan agreements.

Long-term debt maturing over the next five years is as follows: 1998-$20.4 million; 1999-$25.0 million; 2000-$6.0 million; 2001-$14.3 million; 2002-$45.6 million, and thereafter $361.8 million.

All material long-term debt is carried in the consolidated balance sheet at amounts which approximate fair values based upon current borrowing rates available to the Company unless otherwise disclosed.

NOTE 11: SUPPLEMENTAL CASH FLOW INFORMATION

For purposes of the consolidated statement of cash flows, the Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Income Tax and Interest Payments

Cash paid for income taxes was approximately $119.7 million, $101.8 million and $80.8 million in 1997, 1996 and 1995, respectively. Interest payments were approximately $23.2 million in 1997, $27.1 million in 1996 and $25.0 million in 1995.

Noncash Financing Activity

As more fully described in Note 10, the Company called for redemption all outstanding issues under the 3 3/4% Convertible Subordinated Debentures due 2002. The debentures were converted into approximately 4.3 million shares of the Company's common stock.

Acquisitions

As more fully described in Note 4 and in connection with acquisitions, the Company issued 5,259,314 shares, 3,710,500 shares, and 2,636,936 shares of the Company's common stock during 1997, 1996 and 1995, respectively.

Details of businesses acquired in transactions accounted for as purchases were as follows:

(Dollars in thousands)	1997	1996	1995
Fair value of assets acquired	$253,093	$182,072	$ 73,142
Liabilities assumed	89,686	106,289	11,170
Net assets acquired	163,407	75,783	61,972
Less: noncash consideration	76,794	7,568	9,637
Less: cash acquired	6,535	16,867	5,481
Net cash paid for acquisitions	$ 80,078	$ 51,348	$ 46,854

The amounts shown above exclude acquisition related deferred payments due in subsequent years, but include cash deferred payments of $30 million, $14 million and $27 million made during 1997, 1996 and 1995, respectively.

NOTE 12: RESULTS BY QUARTER (UNAUDITED)

(Dollars in thousands except per share data)	1st Quarter 1997*	1st Quarter 1996*	2nd Quarter 1997	2nd Quarter 1996*	3rd Quarter 1997	3rd Quarter 1996*	4th Quarter 1997	4th Quarter 1996*
Gross income	$597,238	$506,160	$812,313	$675,345	$723,498	$567,718	$992,797	$788,294
Operating expenses	548,013	466,109	634,104	521,568	645,757	509,036	807,252	642,892
Interest expense	10,266	9,525	11,217	9,665	14,014	10,304	13,948	11,271
Income before provision for taxes	38,959	30,526	166,992	144,112	63,727	48,378	171,597	134,131
Provision for income taxes	16,763	13,126	69,781	61,248	27,284	20,527	71,055	55,102
Net equity interests	(161)	432	(7,447)	64	(1,151)	(380)	(8,487)	(2,054)
Net income	22,035	17,832	89,764	82,928	35,292	27,471	92,055	76,975
Per share data:								
Basic EPS	.19	.15	.75	.72	.29	.23	.74	.65
Diluted EPS	.18	.15	.71	.68	.28	.23	.71	.62
Cash dividends per share	$.113	$.103	$.130	$.113	$.130	$.113	$.130	$.113
Weighted-average shares:								
Basic	118,405,479	115,492,560	119,724,822	115,905,189				

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121,604,548 118,024,329 124,201,824 117,926,937
Diluted                       122,340,229 119,407,773 128,608,097 124,209,539
126,707,968 121,790,364 135,019,603 126,119,965

Stock Price:
   High                        $36 5/8     $31 1/2     $41 3/8     $33 1/8
   $51 3/8     $32 3/8     $52 1/2     $33 3/8           Low       $32 1/4
   $26 5/8     $35                $30 3/8     $41 1/2     $27 7/8     $45 1/4
   $29 5/8
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* Restated to reflect a three-for-two stock split effected July 1997.

NOTE 13: GEOGRAPHIC AREAS

Total assets, income from commissions and fees and income before provision for income taxes are presented below by major geographic area:

(Dollars in thousands)	1997	1996	1995
Total Assets:			
United States	$3,001,726	$2,236,168	$1,864,095
International			
Europe	1,737,361	1,626,966	1,554,283
Asia Pacific	571,153	544,287	515,219
Latin America	257,730	224,683	193,592
Other	134,551	133,026	132,577
Total International	2,700,795	2,528,962	2,395,671
Total Consolidated	$5,702,521	$4,765,130	$4,259,766
Income From Commissions and Fees:			
United States	$1,393,841	$1,001,545	$ 754,576
International			
Europe	996,823	882,746	837,006
Asia Pacific	323,626	309,161	281,961
Latin America	204,894	170,024	152,503
Other	78,018	67,032	67,786
Total International	1,603,361	1,428,963	1,339,256
Total Consolidated	$2,997,202	$2,430,508	$2,093,832
Income Before Provision for Income Taxes:			
Operating income:			
United States	$ 248,807	$ 197,793	$ 131,194
International			
Europe	129,757	96,948	73,424
Asia Pacific	53,485	57,439	48,292
Latin America	48,067	35,578	31,626
Other	10,604	10,153	7,638
Total International	241,913	200,118	160,980
Items not allocated to operations, principally interest expense:			
United States	(34,223)	(27,874)	(23,763)
International	(15,222)	(12,891)	(14,256)
Total Consolidated	$ 441,275	$ 357,146	$ 254,155

The largest client of the Company contributed approximately 11% in 1997, 1996 and 1995 to income from commissions and fees. The Company's second largest client contributed approximately 8% in 1997, 1996 and 1995 to income from commissions and fees.

Dividends received from foreign subsidiaries were approximately $40.8 million in 1997, $35.2 million in 1996 and $31.8 million in 1995. Net assets of foreign subsidiaries were approximately $645 million, $677 million and $584 million at December 31, 1997, 1996 and 1995, respectively.

Consolidated net income includes losses from exchange and translation of foreign currencies of $5.6 million, $4.1 million and $4.7 million in 1997, 1996 and 1995, respectively.

NOTE 14: FINANCIAL INSTRUMENTS

Financial assets which include cash and cash equivalents, marketable securities and receivables have carrying values which approximate fair value. Long-term equity securities, included in other investments and miscellaneous assets in the Consolidated Balance Sheet, are deemed to be available-for-sale as defined by SFAS 115 and accordingly are reported at fair value with net unrealized gains and losses reported within stockholders' equity. At December 31, 1997, long-term equity securities had a cost basis of $20 million with a market value of $42 million.

Financial liabilities with carrying values approximating fair value include accounts payable and accrued expenses, as well as payable to banks and long-term debt. As of December 31, 1997, the 1.80% Convertible Subordinated

Notes due 2004 had a cost basis of $202 million with a market value of $208 million. The fair value was determined by obtaining quotes from brokers(refer to Note 10 for additional information on long-term debt).

The Company occasionally uses forwards and options to hedge a portion of its net investment in foreign subsidiaries and certain intercompany transactions in order to mitigate the impact of changes in foreign exchange rates on working capital. The notional value and fair value of all outstanding forwards and options contracts at the end of the year as well as the net cost of all settled contracts during the year were not significant.

NOTE 15: COMMITMENTS AND CONTINGENCIES

At December 31, 1997, the Company's subsidiaries operating outside the United States were contingently liable for discounted notes receivable of approximately $11.5 million.

The Company and its subsidiaries lease certain facilities and equipment. Gross rental expense amounted to approximately $192 million for 1997, $180 million for 1996 and $164 million for 1995, which was reduced by sublease income of $30.5 million in 1997, $29.1 million in 1996 and $19.5 million in 1995.

During 1995, the Company entered into a transaction whereby it acquired the leasing operations of a third party at a cost of approximately $7 million. These leasing operations include equipment leased from the equipment owner (the "Owner"), which was in turn leased to a third party (the "Sublessee"). These leases were accounted for by the Company as operating leases. The Sublessee prepaid $46.6 million of its obligations under the sublease agreement. This prepayment is held in an interest-bearing escrow account and is used to meet the Company's lease obligations to the Owner. At December 31, 1997, the remaining escrow balance was $5.2 million and is reflected in prepaid expenses and other current assets. The unearned sublease income amount was $3.3 million and is reflected in other noncurrent liabilities. The deferred tax asset attributable to the prepaid sublease obligation amounted to $4.4 million at December 31, 1997.

Minimum rental commitments for the rental of office premises and equipment under noncancellable leases, some of which provide for rental adjustments due to increased property taxes and operating costs for 1998 and thereafter, are as follows:

(Dollars in thousands) Period	Gross Amount	Sublease Income
1998	$152,289	$13,385
1999	137,615	10,071
2000	120,774	7,812
2001	103,912	6,898
2002	91,530	4,105
2003 and thereafter	425,343	4,020

Certain of the Company's acquisition agreements provide for the payment by the Company of future contingent consideration based upon future revenues or profits of the companies acquired.

The Company and certain of its subsidiaries are party to various tax examinations, some of which have resulted in assessments. The Company intends to vigorously defend any and all assessments and believes that additional taxes (if any) that may ultimately result from the settlement of such assessments and open examinations would not have a material adverse effect on the consolidated financial statements.

REPORT OF INDEPENDENT ACCOUNTANTS

1177 Avenue of the Americas
New York, New York 10036

To the Board of Directors and Stockholders of
The Interpublic Group of Companies, Inc. February 20, 1998

In our opinion, the accompanying consolidated balance sheet and the related consolidated statements of income, of stockholders' equity and of cash flows present fairly, in all material respects, the financial position of The Interpublic Group of Companies, Inc. and its subsidiaries (the "Company") at December 31, 1997 and 1996, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1997, in conformity with generally accepted accounting principles. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

As discussed in Note 4 to the consolidated financial statements, during 1995, the Company changed its method of accounting for long-lived assets in accordance with Statement of Financial Accounting Standards No. 121.

Price Waterhouse LLP

SELECTED FINANCIAL DATA FOR FIVE YEARS

(Dollars in thousands except per share data)	1997	1996<F1>	1995<F1>	1994<F1>	1993<F1>
Operating Data					
Gross income	$ 3,125,846	$ 2,537,516	$ 2,179,739	$ 1,984,255	$ 1,793,856
Operating expenses	2,635,126	2,139,605	1,849,387	1,701,817	1,535,651
Restructuring charges	-	-	-	48,715	-
Write-down of goodwill and other related assets	-	-	38,177	-	-
Interest expense	49,445	40,765	38,020	32,924	26,445
Provision for income taxes	184,883	150,003	122,743	86,333	99,819
Income before effect of accounting changes	239,146	205,205	129,812	115,247	125,279
Effect of accounting changes:					
Postemployment benefits <F2>	-	-	-	(21,780)	-
Income taxes <F3>	-	-	-	-	(512)
Net Income	$ 239,146	$ 205,205	$ 129,812	$ 93,467	$ 124,767
Per Share Data					
Basic					
Income before effect of accounting changes	$ 1.98	$ 1.76	$ 1.14	$ 1.05	$ 1.15
Effect of accounting changes <F2> <F3>	-	-	-	(.20)	-
Net Income	$ 1.98	$ 1.76	$ 1.14	$ 0.85	$ 1.15
Weighted-average shares	120,984,168	116,843,475	113,634,945	110,044,626	108,911,045

Diluted					
Income before effect of accounting changes	$ 1.90	$ 1.69	$ 1.11	$ 1.02	$ 1.11
Effect of accounting changes <F2> <F3>	-	-	-	(.19)	-
Net Income	$ 1.90	$ 1.69	$ 1.11	$ 0.83	$ 1.11
Weighted-average shares	129,543,753	125,134,914	117,636,935	113,439,728	112,954,702
Financial Position					
Working capital	$ 274,014	$ 154,430	$ 147,701	$ 80,134	$ 167,175
Total assets	5,702,521	4,765,130	4,259,766	3,793,418	2,869,817
Long-term debt	452,715	346,952	283,497	241,803	226,085
Book value per share	$ 8.46	$ 7.15	$ 6.28	$ 5.57	$ 5.02
Other Data					
Cash dividends	$ 61,242	$ 51,786	$ 46,124	$ 40,360	$ 35,901
Cash dividends per share	$ .50	$ .44	$ .40	$ .36	$ .33
Number of employees	27,100	21,700	19,700	18,100	17,600

<F1> All prior years' per share data and shares have been restated to reflect a three-for-two stock split effected July 1997.
<F2> Reflects the cumulative effect of adopting SFAS 112, "Employers' Accounting for Postemployment Benefits."
<F3> Reflects the cumulative effect of adopting SFAS 109, "Accounting for Income Taxes."

VICE CHAIRMAN'S REPORT OF MANAGEMENT

The financial statements, including the financial analyses and all other information in this Annual Report, were prepared by management, who is responsible for their integrity and objectivity. Management believes the financial statements, which require the use of certain estimates and judgments, reflect the Company's financial position and operating results in conformity with generally accepted accounting principles. All financial information in this Annual Report is consistent with the financial statements.

Management maintains a system of internal accounting controls which provides reasonable assurance that, in all material respects, assets are maintained and accounted for in accordance with management's authorization and transactions are recorded accurately in the books and records. To assure the effectiveness of the internal control system, the organizational structure provides for defined lines of responsibility and delegation of authority.

The Finance Committee of the Board of Directors, which is comprised of the Company's Chairman and Vice Chairman and three outside Directors, is responsible for defining these lines of responsibility and delegating the authority to management to conduct the day-to-day financial affairs of the Company. In carrying out its duties, the Finance Committee primarily focuses on monitoring financial and operational goals and guidelines; approving and monitoring specific proposals for acquisitions; working capital, cash and balance sheet management; and overseeing the hedging of foreign exchange, interest-rate and other financial risks. The Committee meets regularly to review presentations and reports on these and other financial matters to the Board. It also works closely with, but is separate from, the Audit Committee of the Board of Directors.

The Company has formally stated and communicated policies requiring of employees high ethical standards in their conduct of its business. As a further enhancement of the above, the Company's comprehensive internal audit program is designed for continual evaluation of the adequacy and effectiveness of its internal controls and measures adherence to established policies and procedures.
The Audit Committee of the Board of Directors is comprised of four directors who are not employees of the Company. The Committee reviews

audit plans, internal controls, financial reports and related matters, and meets regularly with management, internal auditors and independent accountants. The independent accountants and internal auditors have free access to the Audit Committee, without management being present, to discuss the results of their audits or any other matters.

The Company is addressing the Year 2000 Compliance Project with the mobilization of required resources at the Corporate offices and all operating units. Project plans have been developed to assess and prioritize the operational applications, supplier and network compliance and required remediation. The Audit Committee is overseeing the timely implementation and completion of this project.

The independent accountants, Price Waterhouse LLP, are recommended by the Audit Committee of the Board of Directors and selected by the Board of Directors, and their appointment is ratified by the shareholders. The independent accountants have examined the financial statements of the Company and their opinion is presented on page 53.

NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
DOMESTIC:			
The Interpublic Group of Companies, Inc. (Registrant)	Delaware	-	-
Casablanca Productions	California	100	Registrant
Conan Entertainment LLC	California	50	Western International Syndication Corp.
Dailey & Associates, Inc.	California	100	Registrant
Diefenbach-Elkins International, Inc.	California	100	Registrant
D.L. Blair/West, Inc.	California	100	D.L. Blair, Inc.
Eidolon Corporation	California	100	Registrant
International Business Services, Inc.	California	100	Infoplan International, Inc.
Main Street Media, LLC	California	100	Western International Media Corporation
North Light, Ltd.	California	100	Dailey & Associates, Inc.
Tall Wall Media, Inc.	California	100	Registrant
The Phillips-Ramsey Co.	California	100	Registrant
Van Wagner Tall Wall Media LLC	California	51	Tall Wall Media, Inc.
W.D.M.G., Inc.	California	100	Western Direct Marketing Group, Inc.
Western Direct Marketing Group, Inc.	California	100	Western International Media Corporation
Western International Media Corporation	California	100	Registrant
Western International Syndication Corporation	California	100	Registrant
Western Motivational Incentives Group	California	100	Western International Media Corporation
Western Traffic, Inc.	California	100	Registrant
Momentum IMC Company	Colorado	100	McCann-Erickson USA, Inc.
Advantage International Holdings, Inc.	Delaware	100	Registrant
Advent.A2 Inc.	Delaware	100	Advent Event Marketing, Inc.
Advent Event Marketing, Inc.	Delaware	100	McCann-Erickson USA, Inc.
Advent.LA Inc.	Delaware	100	Advent Event Marketing, Inc.
Ammirati Puris Lintas Canada Ltd.	Delaware	100	Ammirati Puris Lintas Inc.
Ammirati Puris Lintas Inc.	Delaware	100	Registrant
Ammirati Puris Lintas USA, Inc.	Delaware	100	Registrant
Anderson & Lembke, Inc.	Delaware	100	Registrant
Angotti, Thomas, Hedge, Inc.	Delaware	100	Registrant
Asset Recovery Group, Inc.	Delaware	100	Registrant
Business Science Research Corporation, Inc.	Delaware	100	Registrant

NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
DOMESTIC:			
Campbell-Ewald Company	Delaware	100	Registrant
Campbell Mithun Esty LLC	Delaware	75	Registrant
Communications Services International Inc.	Delaware	100	CSI Limited
DraftWorldwide, Inc.	Delaware	100	Registrant
Global Event Marketing & Management (GEMM) Inc.	Delaware	100	Registrant
Healthcare Capital, Inc.	Delaware	100	McCann Healthcare, Inc.
Hypermedia Solutions, LLC	Delaware	55	The Coleman Group, LLC
Infoplan International, Inc.	Delaware	100	Registrant
Interpublic Game Shows, Inc.	Delaware	100	Registrant
Interpublic Television, Inc.	Delaware	100	Registrant
Jack Tinker Advertising, Inc.	Delaware	100	Registrant
Jay Advertising, Inc.	Delaware	100	Registrant
Kaleidoscope Sports and Entertainment LLC	Delaware	100	Registrant
LFS, Inc.	Delaware	100	Registrant
Lowe Direct Inc.	Delaware	100	Lowe & Partners/SMS Inc.
Lowe & Partners/SMS Interactive Inc.	Delaware	100	Lowe & Partners/SMS Inc.
LMMS-USA, Inc.	Delaware	100	McCann-Erickson USA, Inc.
Market Reach Retail LLC	Delaware	50	Skott, Inc.
MarketCorp Promotions, Inc.	Delaware	100	DraftWorldwide, Inc.
Marketing Corporation of America	Delaware	100	Registrant
McAvey & Grogan, Inc.	Delaware	100	Registrant
McCann-Erickson USA, Inc.	Delaware	100	Registrant
McCann-Erickson Corporation (S.A.)	Delaware	100	Registrant
McCann-Erickson Corporation (International)	Delaware	100	Registrant
McCann-Erickson (Paraguay) Co.	Delaware	100	Registrant
McCann-Erickson Worldwide, Inc.	Delaware	100	Registrant
McCann Healthcare, Inc.	Delaware	100	McCann-Erickson USA, Inc.
McCann Worldwide Marketing Communications Co.	Delaware	100	Registrant
Media Inc.	Delaware	100	Registrant
Media Direct Partners, Inc.	Delaware	100	Media, Inc.
Media Partnership Corporation	Delaware	100	Registrant
Newspaper Services of America, Inc.	Delaware	100	Registrant

EXHIBIT 21
PAGE 3
MARCH 20, 1998

NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
DOMESTIC:			
Octagon Worldwide Inc.	Delaware	100	Registrant
Player, LLC	Delaware	51	Registrant
Player Development LLC	Delaware	100	Player LLC
Player Management LLC	Delaware	100	Player LLC
Regan, Campbell & Ward LLC	Delaware	60	McCann-Erickson Worldwide USA, Inc.
Skott, Inc.	Delaware	100	Newspaper Services of America, Inc.
The Coleman Group, LLC	Delaware	51	Interpublic Television, Inc.
The Coleman Group Worldwide LLC	Delaware	100	Registrant
The Lowe Group, Inc.	Delaware	100	Lowe Worldwide Holdings B.V.
Thunder House Online Marketing Communications, Inc.	Delaware	100	Registrant
Weller & Klein Research, Inc.	Delaware	100	Registrant
WPR Acquisition Corp.	Delaware	100	McCann-Erickson USA, Inc.
Advantage International, Inc.	District of Columbia	100	Advantage International Holdings, Inc.
Advantage Investments, Inc.	District of Columbia	100	Advantage International Holdings, Inc.
Ben Disposition, Inc.	Florida	100	LFS, Inc.
Rubin Barney & Birger, Inc.	Florida	100	Registrant
Fitzgerald & Company	Georgia	100	Registrant
Quest Futures Group, Inc.	Kansas	100	Registrant
Adware Systems, Inc.	Kentucky	100	McCann-Erickson USA, Inc.
Neva Group, Inc.	Massachusetts	100	Registrant
C-E Communications Company	Michigan	100	Registrant
Biogenesis Communications, Inc.	New Jersey	100	Registrant
Genquest, Biomedical Education Services, Inc.	New Jersey	100	Biogenesis Communications, Inc.
Global Healthcare Associates, Inc.	New Jersey	100	Registrant
Horizon Communications, Inc.	New Jersey	100	McCann-Erickson USA, Inc.
Integrated Communications Corp.	New Jersey	100	Registrant
Internal Oncology Network, Inc.	New Jersey	100	Torre Lazur, Inc.
Interpublic, Inc.	New Jersey	100	Registrant
Medical Forum, Inc.	New Jersey	100	Torre Lazur, Inc.

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NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
DOMESTIC:			
Pace, Inc.	New Jersey	100	Registrant
Sound Vision, Inc.	New Jersey	100	Torre Lazur, Inc.
Spectral Fusion, Inc.	New Jersey	100	Torre Lazur, Inc.
Torre Lazur, Inc.	New Jersey	100	Registrant
ABP\DraftWorldwide, Inc.	New York	100	Registrant
API Championship Group Inc.	New York	70	The Sponsorship Group Limited
D.L. Blair, Inc.	New York	100	Registrant
GDL, Inc.	New York	100	The Lowe Group, Inc.(100% of Common Stock) and Goldschmidt Dunst & Lawson Corp. (100% of Preferred Stock)
Goldschmidt Dunst & Lawson Corp.	New York	100	The Lowe Group, Inc.
Herbert Zeltner, Inc.	New York	100	Registrant
LCF&L, Inc.	New York		The Lowe Group, Inc. (99.9%) and GDL, Inc. (.1%)
Lowe Group Holdings, Inc.	New York	100	Registrant
Lowe McAdams Healthcare Inc.	New York	100	Lowe & Partners/SMS Inc.
Lowe & Partners/SMS Inc.	New York	100	Lowe International (16%), Lowe Worldwide Holdings B.V. (4%) and Registrant (80%)
Ludgate Communications, Inc.	New York	100	Ludgate Group Limited
McCann Direct, Inc.	New York	100	Registrant
McCann-Erickson Marketing, Inc.	New York	100	Registrant
Promotion & Merchandising, Inc.	New York	100	D.L. Blair, Inc.
T.C. Promotions I, Inc.	New York	100	Registrant
T.C. Promotions II, Inc.	New York	100	Registrant
Technology Solutions, Inc.	New York	100	Registrant
The Gotham Group, Inc.	New York	100	Registrant
Western Trading LLC	New York	55	Western International Media Corporation
Addison Whitney, Inc.	North Carolina	100	Registrant
Long Haymes Carr, Inc.	North Carolina	100	Registrant
F&S Disposition, Inc.	Ohio	100	Ammirati Puris Lintas Inc.

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PERCENTAGE
OF VOTING
SECURITES
JURISDICTION OWNED BY
UNDER WHICH IMMEDIATE

NAME	ORGANIZED	PARENT (%)	IMMEDIATE PARENT
DOMESTIC:			
Marketing Arts Corporation	Virginia	100	The Martin Agency, Inc.
Cabell Eanes, Inc.	Virginia	100	The Martin Agency, Inc.
The Martin Agency, Inc.	Virginia	100	Lowe & Partners/SMS Inc.

NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
FOREIGN:			
Interpublic S.A. de Publicidad	Argentina	100	Registrant
IM Naya	Argentina	50	Registrant
Adlogic Proprietary Limited	Australia	50	Merchant Partners Australia Ltd.
Advantage International Pty. Limited	Australia	80	Advantage International Holdings, Inc.
Advantage Holdings Ltd.	Australia	100	Advantage International Holdings, Inc.
Advantage Racing Pty. Ltd.	Australia	80	Advantage International Holdings, Inc.
Ammirati Puris Lintas Proprietary Limited	Australia	100	Registrant
Ammirati Puris Lintas Melbourne Proprietary Limited	Australia	100	Ammirati Puris Lintas Proprietary Limited
CWFS	Australia	100	McCann Australia (50%) and McCann-Erickson Limited(50%)
CSI (Australia) Pty Limited	Australia	100	CSI Limited
Harrison Advertising Pty Limited	Australia	100	McCann-Erickson Advertising Ltd.
Impulse Art Proprietary Limited	Australia	100	Ammirati Puris Lintas Proprietary Ltd.
Interpublic Limited Proprietary Limited	Australia	100	Registrant
Lintas: Hakuhodo Pty. Limited	Australia	50	Ammirati Puris Lintas Proprietary Ltd.
Marplan Proprietary Limited	Australia	100	Registrant
McCann-Erickson Advertising Pty. Limited	Australia	100	Registrant
McCann-Erickson Sydney Proprietary Limited	Australia	100	McCann-Erickson Advertising Ltd.
Merchant and Partners (Sydney) Pty. Ltd.	Australia	100	Merchant and Partners Australia Pty. Limited
Merchant and Partners Australia Pty. Limited	Australia	100	Registrant
Round Australia Limited	Australia	100	Advantage International Holdings, Inc.
Universal Advertising Placement Pty. Limited	Australia	100	McCann-Erickson Advertising Ltd.
Ammirati Puris Lintas Werbeagentur Gesellschaft m.b.H.	Austria	100	Registrant
Campbell Ewald Werbeagentur Ges.m.b.H.	Austria	100	Lowe Worldwide Holdings B.V.
Initiatives Media Werbemittlung Ges.m.b.H.	Austria	100	Ammirati Puris Lintas Werbeagentur Gesellschaft m.b.H.
McCann-Erickson Gesellschaft m.b.H.	Austria	100	Registrant

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NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
FOREIGN:			
PCS Werbeagentur Ges.m.b.H.	Austria	100	Ammirati Puris Lintas Werbeagentur Gesellschaft m.b.H.
A.C.E. Advertising Creation Marketing N.V.	Belgium	100	Ammirati Puris Lintas Brussels S.A.
Ammirati Puris Lintas Brussels S.A.	Belgium	100	Ammirati Puris Lintas Holding B.V.
Direct Creations S.A.	Belgium	100	Lowe Troost S.A.
Initiative Media Brussels S.A.	Belgium	100	Ammirati Puris Lintas Brussels S.A. (96%) and Initiative Media (4%)
Initiative Media International S.A.	Belgium	100	Lintas Holding B.V.
Lowe Troost S.A.	Belgium	100	Lowe Worldwide Holdings B.V.
McCann-Erickson Co. S.A.	Belgium	100	Registrant
P.R. International N.V.	Belgium	100	Ammirati Puris Lintas Brussels S.A.
Programming Media International-PMI S.A.	Belgium	100	Registrant
Universal Media, S.A.	Belgium	100	McCann-Erickson Co., S.A. (50%) and Lowe Troost S.A. (50%)
Triad Assurance Limited	Bermuda	100	Registrant
Ammirati Puris Lintas Ltda.	Brazil	98.75	Registrant
DM Marketing Direto Ltda	Brazil	51	DraftWorldwide, Inc.
DM Marketing Direto Sao Paulo Ltda	Brazil	51	DraftWorldwide, Inc.
Interpublic Publicidade e Pesquisas Sociedade Limitada	Brazil	100	International Business Services, Inc.
McCann-Erickson Publicidade Ltda.	Brazil	100	Registrant
MPMPPA Profissionais de Promocao Associados Ltda.	Brazil	100	MPM Lintas Communicacoes Ltda.
Universal Publicidade Ltda	Brazil	100	Interpublic Publicidade E Pesquisas Sociedade Ltda.

API Prism International Inc.	British Virgin Islands	100	API Prism Limited
CSI Holdings S.A.	British Virgin Islands	100	Communication Services International (Holdings) S.A.
CSI International Holdings S.A.	British Virgin Islands	100	CSI Holdings S.A.
Adware Systems Canada Inc.	Canada	100	Adware Systems, Inc.

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NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
FOREIGN:			
Ammirati Puris Lintas Canada Ltd.	Canada	100	Registrant
API Sponsorship Limited	Canada	75	The Sponsorship Group Limited
Diefenbach-Elkins Limited	Canada	100	Diefenbach-Elkins
Durnan Communications	Canada	100	Ammirati Puris Lintas Canada Ltd.
Lowe Holdings Ltd.	Canada	100	Lowe Investments Ltd.
Lowe Investments Limited	Canada	100	Lowe Group Holdings Inc.
MacLaren McCann Canada Inc.	Canada	100	Registrant
Promaction Corporation	Canada	100	McCann-Erickson Advertising of Canada
Promaction 1986 Inc.	Canada	100	MacLaren McCann Canada, Inc.
364838 British Colombia Limited	Canada	100	API Sponsorship Canada Ltd.
Tribu Lintas Inc.	Canada	100	MacLaren McCann Canada, Inc.
Ammirati Puris Lintas Chile S.A.	Chile	100	Ammirati Puris Lintas Holding B.V.
Dittborn, Urzueta y Asociados Marketing Directo S.A.	Chile	60	McCann-Erickson S.A. de Publicidad
Initiative Media Servicios de Medios Ltda.	Chile	99	Ammirati Puris Lintas Chile S.A.
McCann-Erickson S.A. de Publicidad	Chile	100	Registrant
Ammirati Puris Lintas China	China	50	Registrant & Shanghai Bang Da Advertising
McCann-Erickson Guangming Advertising Limited	China	51	McCann-Erickson Worldwide
Ammirati Puris Lintas Colombia	Colombia	100	Registrant
Epoca S.A.	Colombia	60	Registrant
Harrison Publicidad De Colombia S.A.	Colombia	100	Registrant
McCann-Erickson Centroamericana (Costa Rica) Ltda.	Costa Rica	100	Registrant
McCann-Erickson Zagreb	Croatia	100	McCann-Erickson International GmbH McCann-Erickson Prague
Ammirati Lintas Praha Spol. s.r.o.	Czech Republic	100	Ammirati Puris Lintas Deutschland GmbH
McCann-Erickson Prague, Spol. s.r.o.	Czech Republic	100	McCann-Erickson International GmbH
Pool Media International srl	Czech Republic	100	McCann-Erickson Prague, Spol. s.r.o.
Femencom Limited	Cyprus	100	Third Dimension Limited
Ammirati Puris Lintas Denmark A/S	Denmark	100	Ammirati Puris Lintas Holding B.V.
Campbell-Ewald Aps	Denmark	100	Registrant

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NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
FOREIGN:			
Initiative Universal Aps	Denmark	100	Registrant
Job A/S	Denmark	100	Ammirati Puris Lintas Denmark
McCann-Erickson A/S	Denmark	100	Registrant
Medialog A/S	Denmark	100	Registrant
Progaganda, Reuther, Lund & Priesler Reklamebureau Aps	Denmark Denmark	75	Registrant
Signatur APS	Denmark	100	Ammirati Puris Lintas Denmark A/S
McCann-Erickson Dominicana, S.A.	Dominican Republic	100	Registrant
McCann-Erickson (Ecuador) Publicidad S.A.	Ecuador	96	McCann-Erickson Corporation (Int'l)
McCann-Erickson Centro Americana (El Salvador) S.A.	El Salvador	100	Registrant
Ammirati Puris Lintas Oy	Finland	100	Lintas Holding B.V.
Hasan & Partners Oy	Finland	100	Registrant
Lintas Service Oy	Finland	100	Lintas Oy
Lowe Brindfors Oy	Finland	100	Lowe Scandinavia AB
Lowe Brindfors Production Oy	Finland	100	Lowe Brindfors Oy
Mainostoinisto Ami Hasan & Company Oy	Finland	100	Hasan & Partners, Inc.
Mainostoinisto Womena - McCann Oy	Finland	100	Registrant
McCann-Pro Oy	Finland	100	Oy Liikemainonta-McCann AB
Oy Liikemainonta-McCann AB	Finland	100	Registrant
PMI - Mediaporssi Oy	Finland	66	Oy Liikemainonta-McCann AB (33%) and Lintas Oy (33%)
Womena-Myynninvauhdittajat Oy	Finland	100	Oy Liikemainonta-McCann AB
Alice SNC	France	50	Lowe Alice S.A.
Ammirati Puris Lintas S.A.	France	100	France C.C.P.M.
CDRG France	France	74	McCann-Erickson France Holding Co.
Creation Sarl	France	97.5	SP3 S.A.

Creative Marketing Service SAS	France	100	France C.C.P.M.
D.L. Blair Europe SNC	France	100	T.C. Promotions, I, Inc. (50%) and T.C. Promotions II, Inc. (50%)
DraftWorldwide Sante Sarl	France	100	DraftWorldwide Sarl
DraftWorldwide Sarl	France	100	DraftWorldwide Limited

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NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
FOREIGN:			
E.C. Television/Paris, S.A.	France	100	France C.C.P.M.
Fab + S.A.	France	99.4	SP3 S.A.
France C.C.P.M.	France	100	Ammirati Puris Lintas Holding B.V.
Infernal Sarl	France	100	SP3 S.A.
Initiatives Media Paris S.A.	France	100	France C.C.P.M.
Leuthe il-autre Agence	France	85	McCann-Erickson (France) Holding Co.
Lowe Alice S.A.	France	100	Lowe Worldwide Holdings B.V.
MacLaren Lintas S.A.	France	100	France C.C.P.M.
McCann Communications	France	75	McCann-Erickson (France) Holding Co.
McCann-Promotion S.A.	France	99.8	McCann-Erickson (France) Holding Co.
McCann-Erickson (France) Holding Co.	France	100	Registrant
McCann-Erickson (Paris) S.A.	France	100	McCann-Erickson (France) Holding Co.
McCann-Erickson Rhone Alpes S.A.	France	100	McCann-Erickson (France) Holding Co.
McCann-Erickson Thera France	France	74	CDRG Communications
Publi Media Service	France	50	Owned in quarters by McCann, Ammirati Puris Lintas agencies in France, Publicis and Idemedia
Slad	France	60	McCann-Erickson (France) Holding Co.
SP3 S.A.	France	100	McCann-Erickson (France) Holding Co.
Strateus	France	72	France C.C.P.M.
Universal Media S.A.	France	100	McCann-Erickson (France) Holding Co.
Valefi	France	55	McCann-Erickson (France) Holding Co.
Virtuelle	France	60	Fieldplan Limited
Adplus Werbeagentur GmbH	Germany	100	Lowe & Partners GmbH Frankfurt
Ammirati Puris Lintas Deutschland GmbH	Germany	100	Registrant
Ammirati Puris Lintas Service GmbH	Germany	100	Ammirati Puris Lintas Deutschland GmbH
Ammirati Puris Lintas Hamburg GmbH	Germany	100	Ammirati Puris Lintas Deutschland GmbH
Ammirati Puris Lintas S Communications GmbH	Germany	100	Ammirati Puris Lintas Deutschland GmbH
Creative Media Services GmbH	Germany	100	Ammirati Puris Lintas Deutschland GmbH
DraftWorldwide Holdings GmbH	Germany	100	DraftWorldwide Limited
Gottschall & Partners GmbH	Germany	100	Lowe & Partners Gmbh Frankfurt
Heinrich Hoffman & Partner GmbH	Germany	100	Lowe & Partners GmbH Frankfurt

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NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
FOREIGN:			
IMP Interactive Partner GmbH	Germany	100	Ammirati Puris Lintas Deutschland
Initiativ Media GmbH	Germany	100	Ammirati Puris Lintas Deutschland GmbH
Interpublic GmbH	Germany	100	Registrant
K&S Marketing and Consultant GmbH	Germany	100	Adplus GmbH
Kolitho Repro GmbH	Germany	100	Peter Reincke Direkt-Marketing GmbH
Krakow McCann Werbeagentur GmbH	Germany	100	McCann-Erickson Deutschland GmbH
Lowe & Partners GmbH Dusseldorf	Germany	100	Lowe Worldwide Holdings B.V. (75%) and Registrant (25%)
Lowe & Partners GmbH Frankfurt	Germany	100	Lowe & Partners GmbH Dusseldorf
Lowe & Partners GmbH Hamburg	Germany	100	Lowe & Partners GmbH Dusseldorf
Mailpool Adressen-Management GmbH	Germany	100	DraftWorldwide Holdings GmbH Germany
Max W.A. Kramer GmbH	Germany	100	Ammirati Puris Lintas Deutschland GmbH
McCann Direct GmbH	Germany	100	McCann-Erickson Deutschland GmbH
McCann-Erickson Dusseldorf	Germany	100	McCann-Erickson Deutschland
McCann-Erickson (International) GmbH	Germany	100	Registrant
McCann-Erickson Deutschland GmbH	Germany	100	McCann-Erickson (International) GmbH
McCann-Erickson Scope GmbH	Germany	100	McCann-Erickson Deutschland GmbH
McCann-Erickson Frankfurt GmbH	Germany	100	McCann-Erickson Deutschland GmbH
McCann-Erickson Hamburg GmbH	Germany	100	McCann-Erickson Deutschland GmbH
McCann-Erickson Nurnberg GmbH	Germany	100	McCann-Erickson Deutschland GmbH
McCann-Erickson Service GmbH	Germany	100	McCann-Erickson Deutschland GmbH
McCann-Erickson Management Property GmbH	Germany	100	McCann-Erickson Deutschland GmbH (80%) Interpublic GmbH (20%)
Peter Reincke Direkt-Marketing GmbH	Germany	76	DraftWorldwide Holdings GmbH Germany
PWS	Germany	100	McCann-Erickson Deutschland GmbH
Scherer MRM Holding GmbH	Germany	75	McCann-Erickson Deutschland
Scherer Team GmbH	Germany	100	Scherer MRM Holding GmbH
Typo-Wenz Artwork GmbH	Germany	100	Interpublic GmbH
Universalcommunication Media Intensiv GmbH	Germany	100	Interpublic GmbH
Unterstuetzungskasse der H.K.	Germany	100	McCann-Erickson (International) GmbH

McCann Company GmbH			
Wolff & Partner, Kreatives Direktmarketing GmbH	Germany	100	DraftWorldwide Holdings GmbH Germany

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NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
FOREIGN:			
Ammirati Puris Lintas Advertising Company S.A.	Greece	100	Interpublic Ltd. (95%), Fieldplan Ltd. (5%)
Ammirati Puris Lintas Worldwide Advertising (Hellas) L.L.C.	Greece	100	Interpublic Limited
International Media Advertising S.C.A.	Greece	100	Fieldplan Ltd.
McCann-Erickson Athens S.A.	Greece	100	Registrant
Sprint Advertising S.A.	Greece	51	Fieldplan Limited
Initiative Media Advertising S.A.	Greece	100	Fieldplan Limited
Universal Media Hellas S.A.	Greece	100	McCann-Erickson (International) GmbH
Publicidad McCann-Erickson Centroamericana (Guatemala), S.A.	Guatemala	100	Registrant
McCann-Erickson Centroamericana S. de R.L. (Honduras)	Honduras	100	Registrant
Anderson & Lembke Asia Limited	Hong Kong	100	Anderson & Lembke, Inc.
API Prism Limited	Hong Kong	70	The Sponsorship Group Limited
Ammirati Puris Lintas Hong Kong Limited	Hong Kong	100	Ammirati Puris Lintas Holding B.V.
Communications Services International Asia Pacific Limited	Hong Kong	100	CSI International Holdings S.A.
Dailey International enterprises Ltd.	Hong Kong	100	Registrant (50%), Ammirati Puris Lintas (50%)
Dailey Investments Limited	Hong Kong	100	Registrant (50%), Ammirati Puris Lintas (50%)
DraftWorldwide Limited	Hong Kong	100	DraftWorldwide, Inc.
Infoplan (Hong Kong) Limited	Hong Kong	100	McCann-Erickson (HK) Limited
Lowe & Partners/Live Limited	Hong Kong	74	Lowe Group Holdings Inc.
Ludgate Asia Ltd.	Hong Kong	100	Ludgate Group Limited
McCann-Erickson, Guangming Ltd.	Hong Kong	100	Registrant
McCann-Erickson (HK) Limited	Hong Kong	100	Registrant
Prism Golf Management Limited	Hong Kong	50	API Prism Limited
Ammirati Puris Lintas Budapest Reklam Es Marketing Kommunikacios Kft	Hungary	100	Ammirati Puris Lintas Deutschland GmbH (90%) and Ammirati Puris Lintas Hamburg GmbH (10%)

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NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
FOREIGN:			
Initiative Media Hungary	Hungary	100	Lintas Budapest
McCann-Erickson Interpress International Advertising Agency Ltd.	Hungary	100	Registrant
McCann-Erickson (India) Pvt.	India	60	McCann-Erickson Worldwide Inc.
McCann-Erickson, Limited	Ireland	100	Registrant
Ammirati Puris Lintas Milano S.p.A.	Italy	100	Ammirati Puris Lintas Holding B.V.
Centro Media Planning-Buying-Booking S.r.l.	Italy	100	Ammirati Puris Lintas Milano S.p.A.
Chorus Media Srl	Italy	51	Pirella Gottsche Lowe S.p.A.
DraftWorldwide Italia Srl.	Italy	100	DraftWorldwide, Inc.
Exel S.R.L.	Italy	99	Ammirati Puris Lintas S.P.A.
Initiative Media S.R.L.	Italy	100	Ammirati Puris Lintas S.P.A.
Infoplan Italiana S.P.A.	Italy	100	Registrant
McCann-Erickson Italiana S.p.A.	Italy	100	Registrant
McCann Marketing Communications S.p.A.	Italy	100	McCann-Erickson Italiana S.p.A.
Pirella Gottsche Lowe S.p.A.	Italy	95	Lowe Worldwide Holdings B.V.
Pool Media International (P.M.I.) S.r.l.	Italy	100	Registrant (95%) and Business Science Research Corp (5%)
Spring S.R.L.	Italy	99	Ammirati Puris Lintas S.P.A.
Universal Media Srl	Italy	100	McCann-Erickson Italiana S.p.A. (50%) Pirella Gottsche Lowe S.p.A. (50%)
Ammirati Puris Lintas S.A.	Ivory Coast	67	France C.C.P.M.
Nelson Ivory Coast	Ivory Coast	100	McCann-Erickson France
McCann-Erickson (Jamaica) Limited	Jamaica	100	Registrant
Ammirati Puris Lintas K.K.	Japan	100	Ammirati Puris Lintas Nederland B.V.
Hakuhodo Lintas K.K.	Japan	50	Registrant
Infoplan, Inc.	Japan	100	McCann-Erickson Inc.
K.K. Momentum	Japan	100	McCann-Erickson Inc.
K.K. Standard McIntyre	Japan	50	McCann-Erickson Healthcare, Inc.
McCann-Erickson Inc.	Japan	100	Registrant
Third Dimension Limited	Jersey	100	Registrant
McCann-Erickson (Kenya) Limited	Kenya	73	Registrant
Communication Services (International) Holdings S.A.	Luxembourg	100	Registrant

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NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
FOREIGN:			
Ammirati Puris Lintas (Malaysia) Sdn. Bhd.	Malaysia	100	Registrant
API Sponsorship SDM.BHD	Malaysia	100	API Sponsorship Canada Ltd. (50%) and The Sponsorship Group Ltd. (50%)
Initiative Media (M) Sdn. Bhd.	Malaysia	100	Ammirati Puris Lintas (Malaysia) Sdn. Bhd.
McCann-Erickson (Malaysia) Sdn. Bhd.	Malaysia	100	Registrant
Mutiara-McCann (Malaysia) Sdn. Bhd.	Malaysia	83.50	Registrant
Union Two Thousand Sdn. Bhd.	Malaysia	60.9	DraftWorldwide, Inc.
Ammirati Puris Lintas B.V.	Netherlands	100	IPG Nederland B.V.
Anderson & Lembke Europe B.V.	Netherlands	100	Anderson & Lembke, Inc.
CSI International B.V.	Netherlands	100	CSI International B.V.
Data Beheer B.V.	Netherlands	100	Data Holding B.V.
Data Holding B.V.	Netherlands	100	IPG Nederland B.V.
Gold Reclame En Marketing Advisers B.V.	Netherlands	100	IPG Nederland B.V.
Initiative Media Programming B.V.	Netherlands	100	Ammirati & Puris Lintas B.V.
IPG Nederland B.V.	Netherlands	100	Registrant
Lowe Digital B.V.	Netherlands	80	Lowe Direct (30%), Lowe Kuipper & Shoutten (50%)
Lowe Direct B.V.	Netherlands	70	Lowe Kuipper & Shoutten
Lowe Europa B.V.	Netherlands	100	Lowe Worldwide Holdings B.V.
Lowe International Holdings B.V.	Netherlands	100	Registrant
Lowe Kuiper & Schouten B.V.	Netherlands	100	Lowe Worldwide Holdings B.V.
Lowe Worldwide Holdings B.V.	Netherlands	100	Poundhold Ltd.
McCann-Erickson (Nederland) B.V.	Netherlands	100	IPG Nederland B.V.
Octagon Worldwide Holdings B.V.	Netherlands	100	Lowe International Holdings B.V.
P. Strating Promotion B.V.	Netherlands	100	IPG Nederland B.V.
Programming Media International B.V.	Netherlands	100	Registrant
Reclame-Adviesbureau Via B.V.	Netherlands	100	IPG Nederland B.V.
Roomijsfabriek "De Hoop" B.V.	Netherlands	100	Ammirati Puris Lintas Holding B.V.
Universal Media B.V.	Netherlands	100	IPG Nederland B.V.
Western International Media Holdings B.V.	Netherlands	100	Lowe Group Holdings, Inc. (52%), Ammirati Puris Lintas (38%), and Western Media (10%)

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NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
FOREIGN:			
Zet Zet B.V.	Netherlands	100	Data Gold B.V.
CSI International N.V.	Netherlands Antilles	100	CSI Holdings S.A.
Ammirati Puris Lintas (NZ) Limited	New Zealand	100	Registrant
McCann-Erickson Limited	New Zealand	100	Registrant
Pearson Davis	New Zealand	51	Ammirati Puris Lintas New Zealand
Pritchard Wood-Quadrant Limited	New Zealand	100	Registrant
Universal Media Limited	New Zealand	100	McCann-Erickson Limited
Digit A/S	Norway	100	JBR/McCann/A/S
JBR Film A/S	Norway	100	JBR Reklamebyra A/S
JBR McCann A/S	Norway	100	McCann-Erickson A/S
JBR McCann Signatur A/S	Norway	100	McCann-Erickson A/S
JBR Purkveien A/S	Norway	100	McCann-Erickson A/S
JBR Riddeersvoldgate A.S.	Norway	100	McCann-Erickson A/S
Lowe Norway A/S	Norway	100	Lowe Scandinavia AB
McCann-Erickson A/S	Norway	100	McCann-Erickson Marketing
H.K. McCann Communications Company, Inc.	Philippines	100	McCann-Erickson (Philippines) Inc.
McCann-Erickson (Philippines), Inc.	Philippines	58	Registrant (30%), Business Science Research Corp. (28%)
McCann Group of Companies, Inc.	Philippines	100	Registrant
Ammirati Puris Lintas Warsawa Sp.	Poland	100	Ammirati Puris Lintas Deutschland GmbH
IM Warsaw	Poland	100	Ammirati Puris Lintas Warsaw
ITI McCann-Erickson International Advertising	Poland	50	McCann-Erickson International GmbH
McCann Communications - Poland	Poland	100	Registrant
McCann-Erickson Prague Spol. s.r.o.	Poland	100	McCan-Erickson International GmbH
Ammirati Puris Lintas, Lda.	Portugal	100	Interpublic SGPS/Lda.
Iniciativas De Meios-Actividades Publicitarias, Limitada	Portugal	98	Ammirati Puris Lintas, Ltda.
Interpublic SGPS/Lda	Portugal	100	Registrant
Lowe Portuguesa Publicidade a Estudios de Mercado, S.A.	Portugal	100	Interpublic SGPS/Lda
McCann-Erickson/Portugal Limitada	Portugal	100	Interpublic SGPS/Lda

EXHIBIT 21
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MARCH 20, 1998

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NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT

FOREIGN:

MKM Markimage, Marketing E Imagem, S.A.	Portugal	100	McCann-Erickson Portugal Publicidade Ltda.
Universal Media Publicidade, Limitada	Portugal	100	McCann-Erickson/Portugal Limitada
Ammirati Puris Lintas Puerto Rico, Inc.	Puerto Rico	100	Ammirati Puris Lintas, Inc.
McCann-Erickson, Dublin Limited	Republic of Ireland	100	Registrant
B.V. McCann-Erickson Romania	Romania	70	Registrant
McCann-Erickson Moscow	Russia	100	McCann-Erickson International GmbH
Ammirati Puris Lintas (Singapore) Pte. Ltd.	Singapore	100	Registrant
Lowe & Partners/Monsoon Advertising Pte. Ltd.	Singapore	80	Lowe Group Holdings Inc.
McCann-Erickson (Singapore)	Singapore	100	Registrant
Union Two Thousand Pte. Ltd.	Singapore	60	DraftWorldwide, Inc.
McCann-Erickson Bratislava	Slova Republic	100	McCann-Erickson Prague Spol. s.r.o.
Adsearch Proprietary Limited	South Africa	100	Registrant
Ammirati Puris Lintas (Proprietary) Limited	South Africa	100	Ammirati Puris Lintas Holding B.V. (76%) Registrant (24%)
API Sponsorship S.A. (Pty) Limited	South Africa	95	The Sponsorship Group Limited
API Sportshows Limited	South Africa	50	API Sponsorship S.A. (Pty) Ltd.
Campbell-Ewald Proprietary Limited	South Africa	100	McCann-Erickson South Africa Proprietary Limited
McCann Cape Town (Proprietary) Limited	South Africa	100	McCann Group
McCann Durban (Proprietary) Limited	South Africa	100	McCann Group
McCann-Erickson South Africa (Pty.) Ltd. ("McCann Group")	South Africa	100	Registrant
McCann International (Proprietary) Limited	South Africa	100	McCann Group
McCann South Africa Proprietary Limited	South Africa	100	McCann-Erickson Johannesburg (Proprietary) Limited
McCann-Erickson Johannesburg (Proprietary) Limited	South Africa	100	McCann-Erickson South Africa (Proprietary) Limited
McCannix Proprietary Limited	South Africa	100	McCann-Erickson Johannesburg (Proprietary) Limited

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NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT

FOREIGN:

Media Initiative (Proprietary) Limited	South Africa Limited	100	Ammirati Puris Lintas (Proprietary)
PULA API (Pty) Limited	South Africa	51	API Sponsorship S.A. (Pty) Ltd.
The Loose Cannon Company Proprietary Limited	South Africa	100	McCann-Erickson South Africa Proprietary Limited
Universal Media (Proprietary) Limited	South Africa	100	McCann Group
Lintas Korea, Inc.	South Korea	100	Registrant
McCann-Erickson, Inc.	South Korea	51	McCann-Erickson Marketing, Inc.
Ammirati Puris Lintas S.A.	Spain	100	Ammirati Puris Lintas Holding B.V.
Cachagua S.A.	Spain	100	The Interpublic Group of Companies de Espana S.A.
Clarin, S.A.	Spain	100	McCann-Erickson S.A.
Coleman Schmidlin & Partner S.A.	Spain	71	Coleman Group Worldwide, LLC
DraftWorldwide S.A.	Spain	70	DraftWorldwide Limited
Encuadre S.A.	Spain	67	Clarin, S.A.
Events & Programming International Consultancy, S.A. (EPIC)	Spain	100	The Interpublic Group of Companies de Espana S.A.
Iniciativas de Medios, S.A.	Spain	100	Ammirati Puris Lintas, S.A.
Lowe & Partners Espana S.A.	Spain	98	Lowe Worldwide Holdings B.V. (91%) Lowe International Holdings B.V. (7%)
McCann-Erickson S.A.	Spain	100	The Interpublic Group of Companies de Espana S.A.
McCann-Erickson Barcelona S.A.	Spain	100	The Interpublic Group of Companies de Espana S.A.
Pool Media International S.A.	Spain	100	The Interpublic Group of Companies de Espana S.A.
The Interpublic Group of Companies de Espana	Spain	100	Registrant
Universal Media S.A.	Spain	100	McCann-Erickson S.A.
Valmorisco Communications	Spain	100	The Interpublic Group of Companies de Espana S.A.
Ammirati Puris Lintas Shoppen AB	Sweden	100	Ammirati Puris Lintas AB
Ammirati Puris Lintas AB	Sweden	100	Ammirati Puris Lintas Holding B.V.

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NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT

FOREIGN:

Anderson & Lembke AB	Sweden	100	Anderson & Lembke, Inc.
Infoplan AB	Sweden	100	McCann-Erickson AB
Interpublic Svenska AB	Sweden	100	Lowe International Holdings B.V.
Lost Forever AB	Sweden	100	Message Plus Media
Lowe Brindfors AB	Sweden	100	Lowe Scandinavia AB
Lowe Scandinavia AB	Sweden	100	Interpublic Svenska AB
McCann Annonsbyra AB	Sweden	100	McCann-Erickson AB
McCann Annonsbyra I Malmoe AB	Sweden	100	McCann-Erickson AB
McCann-Erickson AB	Sweden	100	Registrant
Message Plus Media	Sweden	91	Lowe Scandinavia AB
PMI Initiative Universal Media AB	Sweden	100	Ammirati Puris Lintas AB (50%) McCann-Erickson AB (50%)
Ronnberg & McCann A.B.	Sweden	100	McCann-Erickson AB
Swedish Media Exchange SMX AB	Sweden	100	Interpublic Svenska AB
Advantage International Inc.	Switzerland	100	Advantage International Holdings, Inc.
Coleman Schmidlin Partner AG	Switzerland	71	Coleman Group Worldwide LLC
Fisch Meier Direkt AG	Switzerland	100	Ammirati Puris Lintas Deutschland GmbH
Fisch Meier Promotion AG	Switzerland	100	Fisch Meier Direkt AG
Get Neue Gestaltungstechnik AG	Switzerland	100	Bosch & Butz Werbeagenter
Initiative Media Switzerland	Switzerland	100	Ammirati Puris Lintas Holding B.V.
Lowe Bosch & Butz Werbeagenter AG	Switzerland	80	Lowe International Holdings B.V.
McCann-Erickson S.A.	Switzerland	100	Registrant
McCann-Erickson Services S.A.	Switzerland	100	Registrant
P.C.M. Marketing AG	Switzerland	100	Ammirati Puris Lintas Deutschland GmbH
Pool Media-PMI S.A.	Switzerland	100	Registrant
Sinka, Interactive AG	Switzerland	100	Fisch Meier Direkt AG
Unimedia S.A.	Switzerland	100	Registrant
Ammirati Puris Lintas Taiwan Ltd.	Taiwan	100	Registrant
McCann-Erickson Communications Group Co. Ltd.	Taiwan	100	Registrant
Lintas (Thailand) Ltd.	Thailand	80	Registrant

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NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
FOREIGN:			
McCann-Erickson (Thailand) Ltd.	Thailand	100	Registrant
Lintas Gulf Limited	U.A.E.	51	Ammirati Puris Lintas Worldwide Limited
McCann-Erickson (Trinidad) Limited	Trinidad	100	Registrant
Grafika Lintas Reklamcilik A.S.	Turkey	51	Registrant
Initiative Media Istanbul	Turkey	70	Registrant
Link Ajams Limited Sirketi	Turkey	100	PARS
Lowe Adam Tanitim Hizmetleri AS Turkey	Turkey	80	Lowe International Holdings B.V.
McCann-Direct Reklam Tanitama Servisleri A.S.	Turkey	100	PARS
PARS McCann-Erickson Reklamcilik A.S.("PARS")	Turkey	100	Registrant
Universal Media Planlama Ve Dagitim	Turkey	100	PARS
Addison Whitney	United Kingdom	100	Interpublic Limited (50%), Business Science Research (50%)
Addition Communications Limited	United Kingdom	100	SP Group Limited
Addition Marketing Group Limited	United Kingdom	100	SP Group Limited
Advantage International Limited	United Kingdom	100	Interpublic Limited
Adware Systems Limited	United Kingdom	100	Orkestra Limited
Ammirati Puris Lintas Limited	United Kingdom	100	Interpublic Limited
API Consulting Limited	United Kingdom	100	The Sponsorship Group Limited
API Personality Management Limited	United Kingdom	100	The Sponsorship Group Limited
API Soccer Limited	United Kingdom	100	The Sponsorship Group Limited
API Sponsorship Canada Limited	United Kingdom	100	The Sponsorship Group Limited
API Sponsorship Europe Limited	United Kingdom	100	The Sponsorship Group Limited
API Sponsorship USA Limited	United Kingdom	100	The Sponsorship Group Limited
API Sponsorship Limited	United Kingdom	100	The Sponsorship Group Limited
API Sports Media Limited	United Kingdom	100	The Sponsorship Group Limited
API Television Limited	United Kingdom	100	The Sponsorship Group Limited
Artel Studios Limited	United Kingdom	100	Stowe, Bowden, Wilson Limited
Barnett Fletcher Promotions Company Limited	United Kingdom	100	Interpublic Limited
Brilliant Pictures Limited	United Kingdom	100	Still Price Court Twivy D'Souza Lintas Group Limited

PAGE

NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
FOREIGN:			
Brompton Advertising Ltd.	United Kindgom	100	The Brompton Group Ltd.
Brompton Promotions Ltd.	United Kingdom	100	The Brompton Group Ltd.
Bureau of Commercial Information Limited	United Kingdom	100	Registrant
Bureau of Commercial Research Limited	United Kingdom	100	Registrant
Business Geographics	United Kingdom	70	International Poster Management Limited
Campbell-Ewald Limited	United Kingdom	100	Interpublic Limited (50%), Business Science Research (50%)
Card Marketing & Technology Limited	United Kingdom	100	Interfocus Group Limited
CM Lintas International Ltd.	United Kingdom	100	Interpublic Limited

Coachouse Ltd.	United Kingdom	100	McCann-Erickson Manchester Limited
Coleman Planet & Partners Limited	United Kingdom	71	Registrant
Colourwatch Group Limited	United Kingdom	100	Lowe International Limited
Complete Medical Group	United Kingdom	100	Interpublic Limited
Croxland Limited	United Kingdom	100	Interfocus Group Limited
CSI Limited	United Kingdom	100	Third Dimension Limited
Davies/Baron Limited	United Kingdom	100	Interpublic Limited
DraftWorldwide Limited	United Kingdom	100	Interpublic Limited
Epic (Events & Programming International Consultancy) Limited	United Kingdom	100	Interpublic Limited
Fieldplan Ltd.	United Kingdom	100	Interpublic Limited
Gotham Limited	United Kingdom	100	Lowe International Limited
Global Corporate Commercial & Broadcast Limited	United Kingdom	100	Global Sports Production Ltd.
Global Sports Production Limited	United Kingdom	85	The Sponsorship Group Limited
Grand Slam Millennium Television Limited	United Kingdom	85	The Sponsorship Group Limited
Grand Slam Sports Limited	United Kingdom	100	The Sponsorship Group Limited
Harrison Advertising (International) Limited	United Kingdom	100	Interpublic Limited
H.K. McCann Limited	United Kingdom	100	McCann Erickson Advertising Limited
Initiative Media Limited	United Kingdom	100	Interpublic Limited
Initiative Media London Limited	United Kingdom	99.5	Still Price Court Twivy D'Souza Lintas Group Limited
Interfocus Group Limited	United Kingdom	75	Registrant

NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
FOREIGN:			
Interfocus Network Ltd.	United Kingdom	75	Interfocus Group Ltd.
International Poster Management Ltd.	United Kingdom	100	Interpublic Limited
Interpublic Limited	United Kingdom	100	Registrant
Interpublic Pension Fund Trustee Company Limited	United Kingdom	100	Interpublic Limited
LHSB Management Services Ltd.	United Kingdom	100	Lowe International Limited
Lintas International Limited	United Kingdom	100	Interpublic Limited
Lintas Worldwide Limited	United Kingdom	100	Interpublic Limited (50%), Business Science Research (50%)
Lintas W.A. Limited	United Kingdom	100	Interpublic Limited
Lovell Vass Boddey Limited	United Kingdom	100	DraftWorldwide Limited
Lowe Digital Limited	United Kingdom	100	Lowe International Limited
Lowe Direct Limited	United Kingdom	75	Lowe International Limited
Lowe Howard-Spink Ltd.	United Kingdom	100	Lowe International Limited
Lowe & Howard-Spink Media Limited	United Kingdom	100	Lighthold Limited
Lowe International Limited	United Kingdom	100	Interpublic Limited
Lowe & Partners Financial Limited	United Kingdom	100	Lowe International Limited
Ludcom PLC	United Kingdom	100	Ludgate Group Limited
Ludgate Bachard Limited	United Kingdom	10	Ludgate Group Limited
Ludgate Communications Limited	United Kingdom	100	Ludgate Group Limited
Ludgate Design Limited	United Kingdom	100	Ludgate Group Limited
Ludgate Group Limited	United Kingdom	100	Interpublic Limited
Ludgate Laud Limited	United Kingdom	100	Ludgate Group Limited
MLS Soccer Limited	United Kingdom	100	The Sponsorship Group Limited
Matter of Fact Communications Limited	United Kingdom	100	McCann-Erickson Bristol Limited
McCann Communications Limited	United Kingdom	100	Interpublic Limited
McCann Direct Limited	United Kingdom	100	Interpublic Limited
McCann-Erickson Advertising Limited	United Kingdom	100	Interpublic Limited
McCann-Erickson Belfast Limited	United Kingdom	100	McCann-Erickson United Kingdom Limited
McCann-Erickson Bristol Limited	United Kingdom	100	McCann-Erickson United Kingdom Limited
McCann-Erickson Central Limited	United Kingdom	100	McCann-Erickson United Kingdom Limited

NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
FOREIGN:			
McCann-Erickson Manchester Limited	United Kingdom	100	McCann-Erickson United Kingdom Limited
McCann-Erickson Payne, Golley Ltd.	United Kingdom	75.9	McCann-Erickson United Kingdom Limited
McCann-Erickson Scotland Limited	United Kingdom	100	McCann-Erickson United Kingdom Limited
McCann-Erickson United Kingdom Limited	United Kingdom	100	Interpublic Limited
McCann-Erickson Wales	United Kingdom	100	McCann-Erickson Payne Golley
McCann-Erickson Payne Golley Limited	United Kingdom	100	McCann-Erickson United Kingdom Limited
McCann-Erickson Scotland Limited	United Kingdom	100	McCann-Erickson United Kingdom Limited
McCann Media Limited	United Kingdom	100	McCann-Erickson Bristol
McCann Properties Limited	United Kingdom	100	McCann-Erickson United Kingdom Limited
Octagon Worldwide Limited	United Kingdom	100	Octagon Worldwide Holdings BV
Orbit International (1990) Ltd.	United Kingdom	100	Lowe International Limited
Orkestra Ltd.	United Kingdom	100	Interpublic Limited
Planet Packaging Consultants, Ltd.	United Kingdom	71	The Coleman Group Worldwide LLC
Poundhold Ltd.	United Kingdom	100	Lowe International Limited

Pritchard Wood and Partners Limited	United Kingdom	100	Interpublic Limited (50%), Business Science Research (50%)
Royds London Limited	United Kingdom	100	McCann-Erickson United Kingdom Limited
Salesdesk Limited	United Kingdom	100	Orkestra Ltd.
Smithfield Lease Limited	United Kingdom	100	Lowe International Limited
Sports Management Limited	United Kingdom	100	The Sponsorship Group Limited
SP Group Limited	United Kingdom	100	Interpublic Limited
Still Price Court Twivy D'Souza Lintas Limited	United Kingdom	100	SP Group Limited
Stowe, Bowden, Wilson Limited	United Kingdom	100	McCann-Erickson United Kingdom Limited
Talbot Television Limited	United Kingdom	100	Fremantle International Inc.
Tavistock Advertising Limited	United Kingdom	100	Lowe International Limited
Team GB Limited	United Kingdom	100	The Sponsorship Group Limited
The Below the Line Agency Limited	United Kingdom	100	Interpublic Limited
The Big Events Company Limited	United Kingdom	100	CSI Limited
The Brompton Group Ltd.	United Kingdom	100	Lowe International Limited
The Championship Group Limited	United Kingdom	100	The Sponsorship Group Limited

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NAME	JURISDICTION UNDER WHICH ORGANIZED	PERCENTAGE OF VOTING SECURITES OWNED BY IMMEDIATE PARENT (%)	IMMEDIATE PARENT
FOREIGN:			
The Howland Street Studio Ltd.	United Kingdom	100	Interpublic Limited
The Line Limited	United Kingdom	100	SP Group Limited
The Lowe Group Nominees Limited	United Kingdom	100	Lowe International Limited
The Really Big Promotions Company Limited	United Kingdom	100	Interpublic Limited
The Sponsorship Group Limited	United Kingdom	60.23	Registrant
Tinker and Partners Limited	United Kingdom	100	Interpublic Limited
Tweak Limited	United Kingdom	100	SP Group Limited
Universal Advertising Limited	United Kingdom	100	Interpublic Limited
Universal Communications Worldwide Limited	United Kingdom	100	Interpublic Limited
Virtual Reality Sports Limited	United Kingdom	100	The Sponsorship Group Limited
Washington Soccer Limited	United Kingdom	100	The Sponsorship Group Limited
Weber Europe Limited	United Kingdom	100	Interpublic Limited
Western International Media Ltd.	United Kingdom	100	Lowe International Holdings B.V.
Lifox S.A.	Uruguay	100	Lowe Group Holdings, Inc.
Lingfield S.A. (safi)	Uruguay	100	Interpublic Publicidade a Pesquisas Sociedad Ltda.
Rockdone Corporation S.A. (safi)	Uruguay	100	Universal Publicidade S.A. (safi)
Steffen Corporation	Uruguay	100	Ammirati Puris Lintas Brasil
Universal Publicidade S.A. (safi)	Uruguay	100	McCann-Erickson Publicidade Ltda.
McCann-Erickson Publicidad De Venezuela, S.A.	Venezuela	99.67	Registrant
Lintas (Private) Limited	Zimbabwe	80	Fieldplan Ltd.

A number of inactive subsidiaries and other subsidiaries, all of which considered in the aggregate as a single subsidiary would not constitute a significant subsidiary, are omitted from the above list.

These subsidiaries normally do business under their official corporate names. International Business Services, Inc. does business in Michigan under the name "McCann-I.B.S., Inc." and in New York under the name "McCann International Business Services". Ammirati Puris Lintas, Inc. conducts business through its Ammirati Puris Lintas New York division. McCann-Erickson conducts some of its business in the states of Kentucky and Michigan under the name "McGraphics". McCann-Erickson USA, Inc. does business in Michigan under the name SAS and does business in Indiana, Michigan, New York, Pennsylvania and Wisconsin under the name of McCann-Erickson Universal Group.

REPORT OF INDEPENDENT ACCOUNTANTS ON FINANCIAL STATEMENT SCHEDULE

To the Board of Directors of
The Interpublic Group of Companies, Inc.

Our audits of the consolidated financial statements referred to in our report dated February 20, 1998 appearing in the 1997 Annual Report to Stockholders of The Interpublic Group of Companies, Inc. (which report and consolidated financial statements are incorporated by reference in this Annual Report on Form 10-K) also included an audit of the Financial Statement Schedule listed in Item 14 (a) of this Form 10-K. In our opinion, this Financial Statement Schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

PRICE WATERHOUSE LLP
New York, New York
February 20, 1998

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 of The Interpublic Group of Companies, Inc. (the "Company"), of our report dated February 20, 1998, appearing in the 1997 Annual Report to Stockholders which is incorporated in this Annual Report on Form 10-K: Registration Statements No. 2-79071; No. 2-43811; No. 2-56269; No. 2-61346; No. 2-64338; No. 2-67560; No. 2-72093; No. 2-88165; No. 2-90878, No. 2-97440 and No. 33-28143, relating variously to the Stock Option Plan (1971), the Stock Option Plan (1981), the Stock Option Plan (1988) and the Achievement Stock Award Plan of the Company; Registration Statements No. 2-53544; No. 2-91564, No. 2-98324, No. 33-22008, No. 33-64062 and No. 33-61371, relating variously to the Employee Stock Purchase Plan (1975), the Employee Stock Purchase Plan (1985) and the Employee Stock Purchase Plan of the Company (1995); Registration Statements No. 33-20291 and No. 33-2830 relating to the Management Incentive Compensation Plan of the Company; Registration Statements No. 33-5352, No. 33-21605, No. 333-4747 and No. 333-23603 relating to the 1986 Stock Incentive Plan, the 1986 United Kingdom Stock Option Plan and the 1996 Stock Incentive Plan, of the Company; Registration Statements No. 33-10087 and No. 33-25555 relating to the Long-Term Performance Incentive Plan of the Company; Registration Statement No. 333-28029 relating to The Interpublic Outside Directors' Stock Incentive Plan of the Company; and Registration Statement No. 33-42675 relating to The 1997 Performance Incentive Plan of the Company. We hereby consent

to the incorporation by reference in the Prospectuses constituting part of the Registration Statements on Form S-3 (No. 333-22899, No. 333-42243, No. 333-42905, and No. 333-45569) of The Interpublic Group of Companies, Inc. of our report dated February 20, 1998 appearing in the 1997 Annual Report to Stockholders which is incorporated in this Annual Report on Form 10-K. We also consent to the incorporation by reference of our report on the Financial Statement Schedule, which appears above.

PRICE WATERHOUSE LLP
New York, New York
March 26, 1998

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each individual whose signature appears below constitutes and appoints PHILIP H. GEIER, JR., EUGENE P. BEARD, JOSEPH STUDLEY and NICHOLAS J. CAMERA, and each of them, as true and lawful attorneys-in-fact and agents with full power of substitution and resubstitution, for him, and in his name, place and stead, in any and all capacities, to sign the Report on Form 10-K for the year ended December 31, 1997, for The Interpublic Group of Companies, Inc., S.E.C. File No. 1-6686, and any and all amendments and supplements thereto and all other instruments necessary or desirable in connection therewith, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission and the New York Stock Exchange, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requested and necessary to be done in and about the premises as fully to all intents and purposes as he might do or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agents or any of them or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Dated: March 26, 1998

PHILIP H. GEIER, JR.
PHILIP H. GEIER, JR.

JOHN J. DOONER, JR.
JOHN J. DOONER, JR.

EUGENE P. BEARD
EUGENE P. BEARD

FRANK B. LOWE
FRANK B. LOWE

FRANK J. BORELLI
FRANK J. BORELLI

LEIF H. OLSEN
LEIF H. OLSEN

REGINALD K. BRACK
REGINALD K. BRACK

MARTIN F. PURIS
MARTIN F. PURIS

JILL M. CONSIDINE
JILL M. CONSIDINE

ALLEN QUESTROM
ALLEN QUESTROM

J. PHILLIP SAMPER
J. PHILLIP SAMPER

PAGE

THE INTERPUBLIC GROUP OF COMPANIES, INC.

CERTIFIED RESOLUTIONS

I, Nicholas J. Camera, Secretary of The Interpublic Group of Companies, Inc. (the "Corporation"), hereby certify that the resolutions attached hereto were duly adopted on March 20, 1997 by the Board of Directors of the Corporation and that such resolutions have not been amended or revoked.

WITNESS my hand and the seal of the Corporation this 26th day of March, 1998.

NICHOLAS J. CAMERA
NICHOLAS J. CAMERA

THE INTERPUBLIC GROUP OF COMPANIES, INC.
MEETING OF THE BOARD OF DIRECTORS

RESOLUTIONS RE FROM 10-K

RESOLVED, that the Chairman of the Board and President and the Vice Chairman-Finance and Operations of the Corporation be, and each of them hereby is, authorized to execute and deliver on behalf of the Corporation an annual report on Form 10-K for the year ended December 31, 1997, in the form presented to this meeting with such changes therein as either of them with the advice of the General Counsel shall approve; and further

RESOLVED, that the Chairman of the Board and President in his capacity as Chief Executive Officer, the Vice Chairman-Finance and Operations in his capacity as Chief Financial Officer, and the Vice President and Controller in his capacity as Chief Accounting Officer of the Corporation be, and each of them hereby is, authorized to execute such annual report on Form 10-K; and further

RESOLVED, that the officers of the Corporation be and each of them hereby is, authorized and directed to file such annual report on Form 10-K, with all the exhibits thereto and any other documents that may be necessary or desirable in connection therewith, after its execution by the foregoing officers and by a majority of this Board of Directors, with the Securities and Exchange Commission and the New York Stock Exchange; and further

RESOLVED, that the officers and directors of the Corporation who may be required to execute such annual report on Form 10-K be, and each of them hereby is, authorized to execute a power of attorney in the form submitted to this meeting appointing Philip H. Geier, Jr., Eugene P. Beard, Joseph Studley and Nicholas J. Camera, and each of them, severally, his or her true and lawful attorneys and agents to act in his or her name, place and stead, to execute said annual report on Form 10-K and any and all amendments and supplements thereto and all other instruments necessary or desirable in connection therewith; and further

RESOLVED, that the signature of any officer of the Corporation required by law to affix his signature to such annual report on Form 10-K or to any amendment or supplement thereto and such additional documents as they may deem necessary or advisable in connection therewith, may be affixed by said officer personally or by any attorney-in-fact duly constituted in writing by said officer to sign his name thereto; and further

RESOLVED, that the officers of the Corporation be, and each of them hereby is, authorized to execute such amendments or supplements to such annual report on Form 10-K and such additional documents as they may deem necessary or advisable in connection with any such amendment or supplement and to file the foregoing with the Securities and Exchange Commission and the New York Stock Exchange; and further

RESOLVED, that the officers of the Corporation be, and each of them hereby is, authorized to take such actions and to execute such other documents, agreements or instruments as may be necessary or desirable in connection with the foregoing.

<ARTICLE> 5
<LEGEND>
THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE BALANCE SHEET AND INCOME STATEMENT AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS. THE EPS NUMBER BELOW LABELED AS EPS PRIMARY ACTUALLY REFLECTS BASIC EPS DUE TO CONSTRAINTS IN EDGAR.
</LEGEND>
<RESTATED>

<PERIOD-TYPE>	YEAR	YEAR
<FISCAL-YEAR-END>	DEC-31-1995	DEC-31-1996
<PERIOD-END>	DEC-31-1995	DEC-31-1996
<CASH>	418,448	468,526
<SECURITIES>	38,926	35,408
<RECEIVABLES>	2,320,248	2,646,259
<ALLOWANCES>	21,941	33,301
<INVENTORY>	0	0
<CURRENT-ASSETS>	2,974,398	3,353,459
<PP&E>	437,466	495,361
<DEPRECIATION>	240,274	276,448
<TOTAL-ASSETS>	4,259,766	4,765,130
<CURRENT-LIABILITIES>	2,826,697	3,199,029
<BONDS>	113,235	115,192
<PREFERRED-MANDATORY>	0	0
<PREFERRED>	0	0
<COMMON>	8,963	13,641
<OTHER-SE>	749,706	872,015
<TOTAL-LIABILITY-AND-EQUITY>	4,259,766	4,765,130
<SALES>	0	0
<TOTAL-REVENUES>	2,179,739	2,537,516
<CGS>	0	0
<TOTAL-COSTS>	1,925,584	2,180,370
<OTHER-EXPENSES>	0	0
<LOSS-PROVISION>	0	0
<INTEREST-EXPENSE>	38,020	40,765
<INCOME-PRETAX>	254,155	357,146
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<INCOME-CONTINUING>	129,812	205,205
<DISCONTINUED>	0	0
<EXTRAORDINARY>	0	0
<CHANGES>	0	0
<NET-INCOME>	129,812	205,205
<EPS-PRIMARY>	1.14	1.76
<EPS-DILUTED>	1.11	1.69

<ARTICLE> 5
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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE BALANCE SHEET AND INCOME STATEMENT AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS. THE EPS NUMBER BELOW LABELED AS EPS PRIMARY ACTUALLY REFLECTS BASIC EPS DUE TO CONSTRAINTS IN EDGAR.
</LEGEND>
<RESTATED>

<PERIOD-TYPE>	3-MOS	6-MOS	9-MOS
<FISCAL-YEAR-END>	DEC-31-1996	DEC-31-1996	DEC-31-1996
<PERIOD-END>	MAR-31-1996	JUN-30-1996	SEP-30-1996
<CASH>	322,874	415,898	424,832
<SECURITIES>	44,760	41,502	42,354
<RECEIVABLES>	2,078,745	2,467,895	2,211,656
<ALLOWANCES>	22,593	24,246	27,825
<INVENTORY>	0	0	0
<CURRENT-ASSETS>	2,667,235	3,159,264	2,917,266
<PP&E>	444,774	461,766	474,233
<DEPRECIATION>	248,685	255,199	266,552
<TOTAL-ASSETS>	3,982,938	4,510,687	4,276,170
<CURRENT-LIABILITIES>	2,559,642	3,000,744	2,783,426
<BONDS>	113,923	114,651	114,456
<PREFERRED-MANDATORY>	0	0	0
<PREFERRED>	0	0	0
<COMMON>	8,998	9,039	9,069
<OTHER-SE>	727,695	811,052	810,683
<TOTAL-LIABILITY-AND-EQUITY>	3,982,938	4,510,687	4,276,170
<SALES>	0	0	0
<TOTAL-REVENUES>	506,160	1,181,504	1,749,222
<CGS>	0	0	0
<TOTAL-COSTS>	475,634	1,006,867	1,526,207
<OTHER-EXPENSES>	0	0	0
<LOSS-PROVISION>	0	0	0
<INTEREST-EXPENSE>	9,525	19,190	29,494
<INCOME-PRETAX>	30,526	174,637	223,015
<INCOME-TAX>	13,126	74,374	94,901
<INCOME-CONTINUING>	17,832	100,759	128,230
<DISCONTINUED>	0	0	0
<EXTRAORDINARY>	0	0	0
<CHANGES>	0	0	0
<NET-INCOME>	17,832	100,759	128,230
<EPS-PRIMARY>	.15	.87	1.10
<EPS-DILUTED>	.15	.84	1.07

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE BALANCE SHEET AND INCOME STATEMENT AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS. THE EPS NUMBER BELOW LABELED AS EPS PRIMARY ACTUALLY REFLECTS BASIC EPS DUE TO CONSTRAINTS IN EDGAR.
</LEGEND>
<RESTATED>

<PERIOD-TYPE>	3-MOS	6-MOS	9-MOS
<FISCAL-YEAR-END>	DEC-31-1997	DEC-31-1997	DEC-31-1997
<PERIOD-END>	MAR-31-1997	JUN-30-1997	SEP-30-1997
<CASH>	411,614	405,677	451,595
<SECURITIES>	34,074	41,734	39,635
<RECEIVABLES>	2,638,123	2,910,799	2,684,633
<ALLOWANCES>	33,082	22,468	39,645
<INVENTORY>	0	0	0
<CURRENT-ASSETS>	3,313,769	3,658,836	3,489,648
<PP&E>	498,469	523,965	544,820
<DEPRECIATION>	282,068	292,488	310,215
<TOTAL-ASSETS>	4,711,765	5,204,108	5,081,735
<CURRENT-LIABILITIES>	3,196,854	3,603,745	3,255,160
<BONDS>	115,929	116,626	315,459
<PREFERRED-MANDATORY>	0	0	0
<PREFERRED>	0	0	0
<COMMON>	13,723	13,820	13,892
<OTHER-SE>	835,406	910,426	911,561
<TOTAL-LIABILITY-AND-EQUITY>	4,711,765	5,204,108	5,081,735
<SALES>	0	0	0
<TOTAL-REVENUES>	597,238	1,409,551	2,133,049
<CGS>	0	0	0
<TOTAL-COSTS>	558,279	1,203,600	1,863,371
<OTHER-EXPENSES>	0	0	0
<LOSS-PROVISION>	0	0	0
<INTEREST-EXPENSE>	10,266	21,483	35,497
<INCOME-PRETAX>	38,959	205,951	269,678
<INCOME-TAX>	16,763	86,543	113,828
<INCOME-CONTINUING>	22,035	111,799	147,091
<DISCONTINUED>	0	0	0
<EXTRAORDINARY>	0	0	0
<CHANGES>	0	0	0
<NET-INCOME>	22,035	111,799	147,091
<EPS-PRIMARY>	.19	.94	1.23
<EPS-DILUTED>	.18	.90	1.18

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE BALANCE SHEET AND THE INCOME STATEMENT AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS. THE EPS NUMBER BELOW LABELED AS EPS PRIMARY ACTUALLY REFLECTS BASIC EPS DUE TO CONSTRAINTS IN EDGAR.
</LEGEND>

<PERIOD-TYPE>	12-MOS	
<FISCAL-YEAR-END>		DEC-31-1997
<PERIOD-END>		DEC-31-1997
<CASH>		715,206
<SECURITIES>		30,739
<RECEIVABLES>		2,987,688
<ALLOWANCES>		39,439
<INVENTORY>		0
<CURRENT-ASSETS>		4,025,655
<PP&E>		560,576
<DEPRECIATION>		312,089
<TOTAL-ASSETS>		5,702,521
<CURRENT-LIABILITIES>		3,751,641
<BONDS>		201,768
<PREFERRED-MANDATORY>		0
<PREFERRED>		0
<COMMON>		14,357
<OTHER-SE>		1,107,155
<TOTAL-LIABILITY-AND-EQUITY>		5,702,521
<SALES>		0
<TOTAL-REVENUES>		3,125,846
<CGS>		0
<TOTAL-COSTS>		2,684,571
<OTHER-EXPENSES>		0
<LOSS-PROVISION>		0
<INTEREST-EXPENSE>		49,445
<INCOME-PRETAX>		441,275
<INCOME-TAX>		184,883
<INCOME-CONTINUING>		239,146
<DISCONTINUED>		0
<EXTRAORDINARY>		0
<CHANGES>		0
<NET-INCOME>		239,146
<EPS-PRIMARY>		1.98
<EPS-DILUTED>		1.90