UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM **8-K**

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): February 9, 2023

THE INTERPUBLIC GROUP OF COMPANIES, INC.

(Exact name of registrant as specified in its charter)

Delaware	**1-6686**	**13-1024020**
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

909 Third Avenue, New York, New York 10022
(Address of principal executive offices) (Zip Code)

(212)704-1200
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.10 per share	**IPG**	**The New York Stock Exchange**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

On February 9, 2023, The Interpublic Group of Companies, Inc. (i) issued a press release, a copy of which is attached hereto as Exhibit 99.1 and incorporated by reference herein, announcing its results for the fourth quarter and full year of 2022, (ii) held a conference call to discuss the foregoing results and (iii) posted an investor presentation, a copy of which is attached hereto as Exhibit 99.2 and incorporated by reference herein, on its website in connection with the conference call.

Item 9.01. Financial Statements and Exhibits.

Exhibit 99.1: Press release dated February 9, 2023 (furnished pursuant to Item 2.02)

Exhibit 99.2: Investor presentation dated February 9, 2023 (furnished pursuant to Item 2.02)

Exhibit 104: Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document (included as Exhibit 101).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

	THE INTERPUBLIC GROUP OF COMPANIES, INC.
Date: February 9, 2023	By: *<u>/s/ Andrew Bonzani</u>*
	Name: Andrew Bonzani
	Title: Executive Vice President and General Counsel

FOR IMMEDIATE RELEASE **New York, NY (February 9, 2023)**

IPG Announces Fourth Quarter and Full Year 2022 Results

FULL YEAR
- ***FY Total revenue, including billable expenses, was $10.9 billion***
- ***FY Revenue before billable expenses ("net revenue") of $9.5 billion, an increase of 3.7%, with organic growth of 7.0%***
- ***FY reported net income of $938 million, and adjusted EBITA before restructuring charges of $1.57 billion***
- ***16.6% FY margin of adjusted EBITA before restructuring charges on revenue before billable expenses***
- ***FY diluted earnings per share of $2.37 as reported and $2.75 as adjusted***

FOURTH QUARTER
- ***4Q Total revenue, including billable expenses, was $2.99 billion***
- ***4Q Revenue before billable expenses ("net revenue") of $2.55 billion, approximately unchanged from a year ago as reported, with organic growth of 3.8%***
- ***4Q Organic revenue growth across U.S. and all international regions***
- ***22.3% 4Q margin of adjusted EBITA before restructuring charges on revenue before billable expenses***
- ***4Q Diluted earnings per share of $0.76 as reported and $1.02 as adjusted***

DIVIDEND & SHARE REPURCHASE
- ***Board approves 7% dividend increase to $0.31 per share per quarter and additional authorization amount of $350 million to share repurchase program***

Philippe Krakowsky, CEO of IPG:

"Once again, our people are at the heart of our strong performance this year. Their dedication to our clients and to one another, as well as their expertise spanning creative marketing services, technology and data management fueled our 2022 growth in every world region and broadly across client sectors. Our three-year organic growth stack stands at 14% – a level of performance that speaks to the strength and relevance of our offerings, particularly in services and sectors demanding emerging media, precision and accountability.

"As we look ahead, the macroeconomic situation remains uncertain. Marketers are approaching 2023 with conviction in the need to stay invested and be in the marketplace, as well as a degree of caution. We're confident that the strongest growth areas of our business, such as consultative media services, healthcare marketing, experiential marketing, and commerce, all supported by our best-in-class data capabilities and creative assets, will continue to perform despite the current economic headwinds.

"We expect organic net revenue growth for 2023 of 2% to 4%, on top of our very strong multi-year performance, and to further expand our adjusted EBITA margin to 16.7% for the full year.

Strategically, we'll continue to build on IPG's evolution to a higher value solutions provider. Our strong balance sheet and commitment to financial flexibility remain key priorities. The actions announced by our Board today, to increase our dividend and the additional authorization on the share repurchase program, speak to confidence in the strategic trajectory of our company. Our strong operating performance and financial foundation, coupled with the talent of our people and dedication to client success, will be fundamental to enhance value for all of our stakeholders."

Summary

Revenue

- Fourth quarter 2022 total revenue, which includes billable expenses, was $2.99 billion, compared $2.93 billion in the fourth quarter of 2021.
- Fourth quarter 2022 revenue before billable expenses ("net revenue") was $2.55 billion which remained relatively flat when compared to the fourth quarter of 2021.
- Fourth quarter 2022 organic increase of net revenue was 3.8%, with organic growth in all regions.
- Full year 2022 total revenue, which includes billable expenses, was $10.93 billion compared to $10.24 billion for the full year 2021.
- Full year 2022 revenue before billable expenses ("net revenue") was $9.45 billion, an increase of 3.7% compared to full year 2021.
- Full year 2022 organic increase of net revenue was 7.0%, with organic growth in all regions.

Operating Results

- Operating income in the fourth quarter of 2022 was $444.6 million, including restructuring charges of $101.7 million, compared to $457.3 million, including restructuring charges of $13.0 million in 2021.
- Adjusted EBITA before restructuring charges was $568.4 million in the fourth quarter of 2022, compared to $491.8 million for the same period in 2021.
- Our margin of adjusted EBITA before restructuring charges on revenue before billable expenses was 22.3% in the fourth quarter of 2022, compared to 19.3% for the same period in 2021.
- Operating income for the full year 2022 was $1.38 billion, including restructuring charges of $102.4 million, compared to $1.44 billion in 2021, including restructuring charges of $10.6 million. Adjusted EBITA before restructuring charges was $1.57 billion for the full year 2022, compared to $1.53 billion for the same period in 2021. Our margin of adjusted EBITA before restructuring charges on revenue before billable expenses was 16.6% in 2022, compared to 16.8% in 2021.

- Net restructuring charges were $101.7 million and $102.4 million for the fourth quarter and full year of 2022, respectively. Restructuring charges of $3.1 million and $3.8 million in the fourth quarter and full year 2022, respectively, were related to adjustments to our restructuring actions taken in 2020, which were designed to reduce our operating expenses structurally and permanently relative to revenue and to accelerate the transformation of our business. Restructuring charges of $98.6 million in the fourth quarter and full year 2022 were related to new real estate exits and lease terminations. The Company took these actions to further optimize the real estate footprint supporting our office-home hybrid service model in a post-pandemic economy. These actions further reduced our real estate footprint by approximately 500,000 square feet and are targeted to result in annualized occupancy expense savings of approximately $20 million.
- Net restructuring charges of $13.0 million and $10.6 million for the fourth quarter and full year 2021, respectively, were related to adjustments to our restructuring actions taken in 2020.
- Refer to reconciliations in the appendix within this press release for further detail.

Net Results

- Income tax provision in the fourth quarter of 2022 was $109.2 million on income before income taxes of $412.8 million.
- Fourth quarter 2022 net income available to IPG common stockholders was $297.2 million, resulting in earnings of $0.77 per basic share and $0.76 per diluted share, compared to $0.91 and $0.90, respectively, for the same period in 2021. Adjusted earnings were $1.02 per diluted share as adjusted for after-tax amortization of acquired intangibles of $17.5 million, after-tax restructuring charges of $75.7 million and an after-tax loss of $8.3 million on the sales of businesses. This compares to adjusted earnings of $0.97 per diluted share a year ago.
- Income tax provision for the full year 2022 was $318.4 million on income before income taxes of $1.27 billion.
- Full year 2022 net income available to IPG common stockholders was $938.0 million, resulting in earnings of $2.40 per basic share and $2.37 per diluted share, compared to $2.42 and $2.39, respectively, for the same period in 2021. Adjusted earnings were $2.75 per diluted share as adjusted for after-tax amortization of acquired intangibles of $67.4 million, after-tax restructuring charges of $76.6 million and an after-tax loss of $3.7 million on the sales of businesses. This compares to adjusted earnings of $2.75 per diluted share a year ago.
- Refer to reconciliations in the appendix within this press release for further detail.

Operating Results

Revenue

Revenue before billable expenses of $2.55 billion in the fourth quarter of 2022 remained relatively flat when compared to the fourth quarter of 2021. During the quarter, the effect of foreign currency translation was negative 3.9%, the impact of net acquisitions was positive 0.2%, and the resulting organic increase of net revenue was 3.8%.

Revenue before billable expenses of $9.45 billion for the full year 2022 increased 3.7% compared with the same period in 2021. During the year, the effect of foreign currency translation was negative 3.0%, the impact of net divestitures was negative 0.3%, and the resulting organic increase of net revenue was 7.0%.

Operating Expenses

For the fourth quarter of 2022, total operating expenses, excluding billable expenses increased by 0.7%. Total operating expenses excluding both billable expenses and restructuring charges decreased by 3.6%. For the full year 2022, total operating expenses excluding billable expenses increased by 5.2%. Total operating expenses excluding both billable expenses and restructuring charges increased by 4.0%.

Staff cost ratio, which is total salaries and related expenses as a percentage of revenue before billable expenses, was 61.0% in the fourth quarter of 2022, compared to 62.2% in the same period in 2021. For the full year 2022, staff cost ratio was 66.2%, compared to 65.6% in the same period in 2021. Total salaries and related expenses decreased 1.8% to $1.56 billion during the fourth quarter of 2022, compared to $1.59 billion for the same period in 2021. Total salaries and related expenses increased 4.7% to $6.26 billion during the full year 2022, compared to $5.98 in 2021. The decrease in staff cost ratio as a percentage of revenue before billable expenses in the fourth quarter was primarily driven by decreases in temporary help expense, performance-based employee incentive compensation and severance expense, partially offset by the increase in base salaries, benefits and tax. The increase in staff cost ratio for the full year 2022 as a percentage of revenue before billable expenses was primarily driven by increases in base salaries, benefits and tax, partially offset by decreased performance-based employee incentive compensation and temporary help expense.

For the fourth quarter office and other direct expenses as a percentage of revenue before billable expenses decreased to 13.5% compared to 15.1% for the same period in 2021. For the full year 2022 office and other direct expenses as a percentage of revenue before billable expenses increased to 14.2% compared to 14.0% for the same period in 2021. In the fourth quarter of 2022, office and other direct expenses were $345.3 million, a decrease of 10.3% compared to the same period in 2021. For the full year 2022, office and other direct expenses were $1.35 billion, an increase of 5.2% compared to 2021. The decrease in the fourth quarter was primarily driven by decreases client service costs and employment costs, as well as a decrease in occupancy expense and professional consulting fees. The increase in office and other direct expenses for the full year 2022 was related to increases in travel and entertainment expenses, professional consulting fees as well as expenses related to client services costs and company meetings and conferences, partially offset by a decrease in occupancy expense and a reduction in the year-over-year change in contingent acquisition obligations.

Selling, general and administrative expenses were $29.9 million in the fourth quarter of 2022, a decrease of 8.0% compared to the same period in 2021. Selling, general and administrative expenses were $87.1 million for the full year 2022, a decrease of 28.8% compared to the same period in 2021.The decrease for the fourth quarter and full year 2022 was primarily due to a decrease in performance-based employee incentive compensation expense, partially offset by an increase in professional consulting fees.

Depreciation and amortization expense decreased by 4.0% during the fourth quarter of 2022, and decreased by 3.5% for the full year 2022.

Net restructuring charges were $101.7 million and $102.4 million for the fourth quarter and full year of 2022, respectively. Restructuring charges of $3.1 million and $3.8 million in the fourth quarter and full year 2022, respectively, were related to adjustments to our restructuring actions taken in 2020, which were designed to reduce our operating expenses structurally and permanently relative to revenue and to accelerate the transformation of our business. Restructuring charges of $98.6 million in the fourth quarter and full year 2022 were related to new real estate exits and lease terminations. The Company took these actions to further optimize the real estate footprint supporting our office-home hybrid service model in a post-pandemic economy. These actions further reduced our real estate footprint by approximately 500 thousand square feet and are targeted to result in annualized occupancy expense savings of approximately $20 million. Net restructuring charges of $13.0 million and $10.6 million for the fourth quarter and full year 2021, respectively, were related to adjustments to our restructuring actions taken in 2020.

Non-Operating Results and Tax

Net interest expense decreased by $6.2 million to $24 million in the fourth quarter of 2022 from a year ago. Full year 2022 net interest expense decreased by $32.1 million to $111.3 million from a year ago.

Other expense, net was $7.8 million and $1.0 million for the fourth quarter and full year 2022, respectively.

The income tax provision in the fourth quarter of 2022 was $109.2 million on income before income taxes of $412.8 million, compared to a provision of $67.4 million on income before income taxes of $433.3 million in the same period in 2021. The income tax provision for the full year 2022 was $318.4 million on income before income taxes of $1.27 billion, compared to a provision of $251.8 million on income before income taxes of $1.22 billion in 2021.

The effective tax rate for the fourth quarter of 2022 was 26.5% compared to 15.6% for the same period in 2021. Excluding the impacts of amortization of acquired intangibles, restructuring charges and losses on the sales of businesses, the effective tax rate for the fourth quarter of 2022 was 25.7% compared to 16.0% in 2021 as similarly adjusted. The effective tax rate for the full year 2022 was 25.1% compared to 20.6% for the same period in 2021. Excluding the impacts of amortization of acquired intangibles, restructuring charges and net losses on the sales of businesses, the effective tax rate for the full year 2022 was 24.8% compared to 20.8% in 2021 as similarly adjusted.

Balance Sheet

At December 31, 2022, cash and cash equivalents totaled $2.55 billion, compared to $3.27 billion at December 31, 2021. Total debt was $2.92 billion at December 31, 2022, compared to $2.96 billion at December 31, 2021.

Share Repurchase Program

During the full year 2022, the Company repurchased 10.3 million shares of its common stock at an aggregate cost of $320.1 million and an average price of $31.0 per share, including fees.

Common Stock Dividend

During the fourth quarter of 2022, the Company declared and paid a common stock cash dividend of $0.290 per share, for a total of $112.2 million. During 2022, the Company paid four quarterly cash dividends of $0.290 per share on our common stock, which corresponded to aggregate dividend payments of $457.3 million for the full year.

The Company also announced that its Board of Directors has declared a common stock cash dividend of $0.31 per share, payable quarterly to holders of record on an ongoing basis.

For further information regarding the Company's financial results as well as certain non-GAAP measures including organic revenue before billable expenses change, adjusted EBITA, adjusted EBITA before restructuring charges and adjusted earnings per diluted share, and the reconciliations thereof, please refer to the appendix within this press release and our Investor Presentation filed on Form 8-K herewith and available on our website, www.interpublic.com.

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About Interpublic

Interpublic (NYSE: IPG) (www.interpublic.com) is a values-based, data-fueled, and creatively-driven provider of marketing solutions. Home to some of the world's best-known and most innovative communications specialists, IPG global brands include Acxiom, Craft, FCB, FutureBrand, Golin, Huge, Initiative, IPG Health, Jack Morton, Kinesso, MAGNA, Matterkind, McCann, Mediahub, Momentum, MRM, MullenLowe Group, Octagon, R/GA, UM, Weber Shandwick and more. IPG is an S&P 500 company with total revenue of $10.93 billion in 2022.

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Cautionary Statement

This release contains forward-looking statements. Statements in this report that are not historical facts, including statements regarding guidance, goals, intentions, and expectations as to future plans, trends, events, or future results of operations or financial position, constitute forward-looking statements. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties, which could cause our actual results and outcomes to differ materially from those reflected in the forward-looking statements, and are subject to change based on a number of factors, including those outlined under Item 1A, Risk Factors, in our most recent Annual Report on Form 10-K, and our other filings with the Securities and Exchange Commission ("SEC"). Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Such factors include, but are not limited to, the following:

- the effects of a challenging economy on the demand for our advertising and marketing services, on our clients' financial condition and on our business or financial condition;
- our ability to attract new clients and retain existing clients;
- our ability to retain and attract key employees;
- the impacts of the COVID-19 pandemic, including potential developments like the emergence of more transmissible or virulent coronavirus variants, and associated mitigation measures, such as restrictions on businesses, social activities and travel, on the economy, our clients and demand for our services;
- risks associated with the effects of global, national and regional economic conditions, including counterparty risks and fluctuations in interest rates, inflation rates and currency exchange rates;
- the economic or business impact of military or political conflict in key markets;
- risks associated with assumptions we make in connection with our critical accounting estimates, including changes in assumptions associated with any effects of a challenging economy;
- potential adverse effects if we are required to recognize impairment charges or other adverse accounting-related developments;
- developments from changes in the regulatory and legal environment for advertising and marketing services companies around the world, including laws and regulations related to data protection and consumer privacy; and
- the impact on our operations of general or directed cybersecurity events.

Investors should carefully consider the foregoing factors and the other risks and uncertainties that may affect our business, including those outlined under Item 1A, Risk Factors, in our most recent Annual Report on Form 10-K, and our other SEC filings. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made. We undertake no obligation to update or revise publicly any of them in light of new information, future events, or otherwise.

APPENDIX

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
CONSOLIDATED SUMMARY OF EARNINGS
FOURTH QUARTER REPORT 2022 AND 2021
(Amounts in Millions except Per Share Data)
(UNAUDITED)

	Three Months Ended December 31,		
	2022	2021	Fav. (Unfav.) % Variance
Revenue:			
Revenue Before Billable Expenses	$ 2,550.5	$ 2,548.9	0.1 %
Billable Expenses	435.4	383.2	13.6 %
Total Revenue	2,985.9	2,932.1	1.8 %
Operating Expenses:			
Salaries and Related Expenses	1,556.9	1,586.2	1.8 %
Office and Other Direct Expenses	345.3	384.8	10.3 %
Billable Expenses	435.4	383.2	(13.6)%
Cost of Services	2,337.6	2,354.2	0.7 %
Selling, General and Administrative Expenses	29.9	32.5	8.0 %
Depreciation and Amortization	72.1	75.1	4.0 %
Restructuring Charges	101.7	13.0	>(100)%
Total Operating Expenses	2,541.3	2,474.8	(2.7)%
Operating Income	444.6	457.3	(2.8)%
Expenses and Other Income:			
Interest Expense	(49.4)	(38.0)	
Interest Income	25.4	7.8	
Other (Expense) Income, Net	(7.8)	6.2	
Total (Expenses) and Other Income	(31.8)	(24.0)	
Income Before Income Taxes	412.8	433.3	
Provision for Income Taxes	109.2	67.4	
Income of Consolidated Companies	303.6	365.9	
Equity in Net Income of Unconsolidated Affiliates	2.3	2.1	
Net Income	305.9	368.0	
Net Income Attributable to Non-controlling Interests	(8.7)	(10.1)	
Net Income Available to IPG Common Stockholders	$ 297.2	$ 357.9	
Earnings Per Share Available to IPG Common Stockholders[1]:			
Basic	$ 0.77	$ 0.91	
Diluted	$ 0.76	$ 0.90	
Weighted-Average Number of Common Shares Outstanding:			
Basic	387.9	393.7	
Diluted	392.1	399.9	
Dividends Declared Per Common Share	$ 0.290	$ 0.270	

[1] Earnings per share amounts calculated on an unrounded basis.

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
CONSOLIDATED SUMMARY OF EARNINGS
ANNUAL REPORT 2022 AND 2021
(Amounts in Millions except Per Share Data)
(UNAUDITED)

	Twelve Months Ended December 31,		
	2022	2021	Fav. (Unfav.) % Variance
Revenue:			
Revenue Before Billable Expenses	$ 9,449.4	$ 9,107.9	3.7 %
Billable Expenses	1,478.4	1,132.8	30.5 %
Total Revenue	10,927.8	10,240.7	6.7 %
Operating Expenses:			
Salaries and Related Expenses	6,258.3	5,975.4	(4.7)%
Office and Other Direct Expenses	1,346.4	1,279.6	(5.2)%
Billable Expenses	1,478.4	1,132.8	(30.5)%
Cost of Services	9,083.1	8,387.8	(8.3)%
Selling, General and Administrative Expenses	87.1	122.3	28.8 %
Depreciation and Amortization	274.0	283.8	3.5 %
Restructuring Charges	102.4	10.6	>(100)%
Total Operating Expenses	9,546.6	8,804.5	(8.4)%
Operating Income	1,381.2	1,436.2	(3.8)%
Expenses and Other Income:			
Interest Expense	(174.7)	(173.1)	
Interest Income	63.4	29.7	
Other Expense, Net	(1.0)	(70.7)	
Total (Expenses) and Other Income	(112.3)	(214.1)	
Income Before Income Taxes	1,268.9	1,222.1	
Provision for Income Taxes	318.4	251.8	
Income of Consolidated Companies	950.5	970.3	
Equity in Net Income of Unconsolidated Affiliates	5.6	2.5	
Net Income	956.1	972.8	
Net Income Attributable to Non-controlling Interests	(18.1)	(20.0)	
Net Income Attributable to IPG Common Stockholders	$ 938.0	$ 952.8	
Earnings Per Share Available to IPG Common Stockholders[1]:			
Basic	$ 2.40	$ 2.42	
Diluted	$ 2.37	$ 2.39	
Weighted-Average Number of Common Shares Outstanding:			
Basic	391.5	393.0	
Diluted	395.1	398.4	
Dividends Declared Per Common Share	$ 1.160	$ 1.080	

[1] Earnings per share amounts calculated on an unrounded basis.

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
U.S. GAAP RECONCILIATION OF NON-GAAP ADJUSTED RESULTS
(Amounts in Millions except Per Share Data)
(UNAUDITED)

	Three Months Ended December 31, 2022				
	As Reported	Amortization of Acquired Intangibles	Restructuring Charges	Net Losses on Business Dispositions[1]	Adjusted Results (Non-GAAP)
Operating Income and Adjusted EBITA before Restructuring Charges [2]	$ 444.6	$ (22.1)	$ (101.7)		$ 568.4
Total (Expenses) and Other Income [3]	(31.8)			$ (8.3)	(23.5)
Income Before Income Taxes	**412.8**	**(22.1)**	**(101.7)**	**(8.3)**	**544.9**
Provision for Income Taxes	109.2	4.6	26.0	0.0	139.8
Effective Tax Rate	*26.5 %*				*25.7 %*
Equity in Net Income of Unconsolidated Affiliates	2.3				2.3
Net Income Attributable to Non-controlling Interests	(8.7)				(8.7)
Net Income Available to IPG Common Stockholders	$ 297.2	$ (17.5)	$ (75.7)	$ (8.3)	$ 398.7
Weighted-Average Number of Common Shares Outstanding - Basic	387.9				387.9
Dilutive effect of stock options and restricted shares	4.2				4.2
Weighted-Average Number of Common Shares Outstanding - Diluted	392.1				392.1
Earnings Per Share Available to IPG Common Stockholders[4, 5]:					
Basic	$ 0.77	$ (0.05)	$ (0.20)	$ (0.02)	$ 1.03
Diluted	$ 0.76	$ (0.04)	$ (0.19)	$ (0.02)	$ 1.02

[1] Primarily relates to losses on complete dispositions of businesses and the classification of certain assets as held for sale, as well as a non-cash loss related to the remeasurement of an equity method investment in which we acquired a controlling interest.

[2] Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on page A5 in the appendix.

[3] Consists of non-operating expenses including interest expense, interest income and other expense, net.

[4] Earnings per share amounts calculated on an unrounded basis.

[5] Basic and diluted earnings per share, both As Reported and Adjusted Results (Non-GAAP), include a negative impact of $0.02 related to the net set-up of income tax valuation allowances.

Note: Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
U.S. GAAP RECONCILIATION OF NON-GAAP ADJUSTED RESULTS
(Amounts in Millions except Per Share Data)
(UNAUDITED)

	Twelve Months Ended December 31, 2022				
	As Reported	Amortization of Acquired Intangibles	Restructuring Charges	Net Losses on Businesses Dispositions[1]	Adjusted Results (Non-GAAP)
Operating Income and Adjusted EBITA before Restructuring Charges [2]	$ 1,381.2	$ (84.7)	$ (102.4)		$ 1,568.3
Total (Expenses) and Other Income [3]	(112.3)			$ (3.8)	(108.5)
Income Before Income Taxes	**1,268.9**	**(84.7)**	**(102.4)**	**(3.8)**	**1,459.8**
Provision for Income Taxes	318.4	17.3	25.8	0.1	361.6
Effective Tax Rate	*25.1 %*				*24.8 %*
Equity in Net Income of Unconsolidated Affiliates	5.6				5.6
Net Income Attributable to Non-controlling Interests	(18.1)				(18.1)
Net Income Available to IPG Common Stockholders	$ 938.0	$ (67.4)	$ (76.6)	$ (3.7)	$ 1,085.7
Weighted-Average Number of Common Shares Outstanding - Basic	391.5				391.5
Dilutive effect of stock options and restricted shares	3.6				3.6
Weighted-Average Number of Common Shares Outstanding - Diluted	395.1				395.1
Earnings Per Share Available to IPG Common Stockholders[4, 5]:					
Basic	$ 2.40	$ (0.17)	$ (0.20)	$ (0.01)	$ 2.77
Diluted	$ 2.37	$ (0.17)	$ (0.19)	$ (0.01)	$ 2.75

[1] Includes a cash gain related to the sale of an equity investment, offset by losses on complete dispositions of businesses and the classification of certain assets as held for sale, a non-cash loss related to the deconsolidation of a previously consolidated subsidiary in which we maintain an equity interest, and a non-cash loss related to remeasurement of an equity method investment in which we acquired a controlling interest.

[2] Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on page A5 in the appendix.

[3] Consists of non-operating expenses including interest expense, interest income and other expense, net.

[4] Earnings per share amounts calculated on an unrounded basis.

[5] Basic and diluted earnings per share, both As Reported and Adjusted Results (Non-GAAP), include a negative impact of $0.02 related to the net set-up of income tax valuation allowances.

Note: Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
U.S. GAAP RECONCILIATION OF NON-GAAP ADJUSTED RESULTS
(Amounts in Millions)
(UNAUDITED)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Revenue Before Billable Expenses	**$ 2,550.5**	**$ 2,548.9**	**$ 9,449.4**	**$ 9,107.9**
Non-GAAP Reconciliation:				
Net Income Available to IPG Common Stockholders	**$ 297.2**	**$ 357.9**	**$ 938.0**	**$ 952.8**
Add Back:				
Provision for Income Taxes	109.2	67.4	318.4	251.8
Subtract:				
Total (Expenses) and Other Income	(31.8)	(24.0)	(112.3)	(214.1)
Equity in Net Income of Unconsolidated Affiliates	2.3	2.1	5.6	2.5
Net Income Attributable to Non-controlling Interests	(8.7)	(10.1)	(18.1)	(20.0)
Operating Income	**444.6**	**457.3**	**1,381.2**	**1,436.2**
Add Back:				
Amortization of Acquired Intangibles	22.1	21.5	84.7	86.2
Adjusted EBITA	**466.7**	**478.8**	**1,465.9**	**1,522.4**
Adjusted EBITA Margin on Net Revenue %	***18.3 %***	***18.8 %***	***15.5 %***	***16.7 %***
Restructuring Charges [1]	101.7	13.0	102.4	10.6
Adjusted EBITA before Restructuring Charges	**$ 568.4**	**$ 491.8**	**$ 1,568.3**	**$ 1,533.0**
Adjusted EBITA before Restructuring Charges Margin on Net Revenue %	***22.3 %***	***19.3 %***	***16.6 %***	***16.8 %***

[1] Restructuring charges of $3.1 and $3.8 in the fourth quarter and full year 2022, respectively, were related to adjustments to our restructuring actions taken in 2020, which were designed to reduce our operating expenses structurally and permanently relative to revenue and to accelerate the transformation of our business. Restructuring charges of $98.6 in the fourth quarter and full year 2022 were related to new real estate exits and lease terminations. The Company took these actions to further optimize the real estate footprint supporting our office-home hybrid service model in a post-pandemic economy.

Note: Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
U.S. GAAP RECONCILIATION OF NON-GAAP ADJUSTED RESULTS
(Amounts in Millions except Per Share Data)
(UNAUDITED)

	Three Months Ended December 31, 2021				
	As Reported	Amortization of Acquired Intangibles	Restructuring Charges	Net Losses on Sales of Businesses [1]	Adjusted Results (Non-GAAP)
Operating Income and Adjusted EBITA before Restructuring Charges [2]	$ 457.3	$ (21.5)	$ (13.0)		$ 491.8
Total (Expenses) and Other Income [3]	(24.0)			$ (0.8)	(23.2)
Income Before Income Taxes	**433.3**	**(21.5)**	**(13.0)**	**(0.8)**	**468.6**
Provision for Income Taxes	67.4	4.3	2.9	0.3	74.9
Effective Tax Rate	*15.6 %*				*16.0 %*
Equity in Net Income of Unconsolidated Affiliates	2.1				2.1
Net Income Attributable to Non-controlling Interests	(10.1)				(10.1)
Net Income Available to IPG Common Stockholders	$ 357.9	$ (17.2)	$ (10.1)	$ (0.5)	$ 385.7
Weighted-Average Number of Common Shares Outstanding - Basic	393.7				393.7
Dilutive effect of stock options and restricted shares	6.2				6.2
Weighted-Average Number of Common Shares Outstanding - Diluted	399.9				399.9
Earnings Per Share Available to IPG Common Stockholders [4, 5]:					
Basic	$ 0.91	$ (0.04)	$ (0.03)	$ (0.00)	$ 0.98
Diluted	$ 0.90	$ (0.04)	$ (0.03)	$ (0.00)	$ 0.97

[1] Includes losses on complete dispositions of businesses and the classification of certain assets as held for sale.
[2] Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on page A5 in the appendix.
[3] Consists of non-operating expenses including interest expense, interest income and other expense, net.
[4] Earnings per share amounts calculated on an unrounded basis.
[5] Basic and diluted earnings per share, both As Reported and Adjusted Results (Non-GAAP), include a positive impact of $0.15 related to the reversals of income tax valuation allowances.
Note: Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES
U.S. GAAP RECONCILIATION OF NON-GAAP ADJUSTED RESULTS
(Amounts in Millions except Per Share Data)
(UNAUDITED)

	Twelve Months Ended December 31, 2021					
	As Reported	Amortization of Acquired Intangibles	Restructuring Charges	Net Losses on Sales of Businesses [1]	Loss on Early Extinguishment of Debt [2]	Adjusted Results (Non-GAAP)
Operating Income and Adjusted EBITA before Restructuring Charges [3]	$ 1,436.2	$ (86.2)	$ (10.6)			$ 1,533.0
Total (Expenses) and Other Income [4]	(214.1)			$ (13.3)	$ (74.0)	(126.8)
Income Before Income Taxes	**1,222.1**	**(86.2)**	**(10.6)**	**(13.3)**	**(74.0)**	**1,406.2**
Provision for Income Taxes	251.8	16.9	3.2	2.0	18.5	292.4
Effective Tax Rate	*20.6 %*					*20.8 %*
Equity in Net Income of Unconsolidated Affiliates	2.5					2.5
Net Income Attributable to Noncontrolling Interests	(20.0)					(20.0)
Net Income Available to IPG Common Stockholders	$ 952.8	$ (69.3)	$ (7.4)	$ (11.3)	$ (55.5)	$ 1,096.3
Weighted-Average Number of Common Shares Outstanding - Basic	393.0					393.0
Dilutive effect of stock options and restricted shares	5.4					5.4
Weighted-Average Number of Common Shares Outstanding - Diluted	398.4					398.4
Earnings Per Share Available to IPG Common Stockholders [5, 6]:						
Basic	$ 2.42	$ (0.18)	$ (0.02)	$ (0.03)	$ (0.14)	$ 2.79
Diluted	$ 2.39	$ (0.17)	$ (0.02)	$ (0.03)	$ (0.14)	$ 2.75

[1] Includes losses on complete dispositions of businesses and the classification of certain assets as held for sale.

[2] Consists of a loss incurred in the first quarter of 2021 related to the early extinguishment of our 4.000% unsecured senior notes due 2022, 3.750% unsecured senior notes due 2023 and half of our 4.200% unsecured senior notes due 2024.

[3] Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on page A5 in the appendix.

[4] Consists of non-operating expenses including interest expense, interest income and other expense, net.

[5] Earnings per share amounts calculated on an unrounded basis.

[6] Basic and diluted earnings per share, both As Reported and Adjusted Results (Non-GAAP), include a positive impact of $0.15 related to the reversals of income tax valuation allowances.

Note: Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.

FOURTH QUARTER & FULL YEAR 2022
EARNINGS CONFERENCE CALL

Interpublic Group
February 9, 2023

Overview — Fourth Quarter & Full Year 2022

- Full-year total revenue including billable expenses was $10.9 billion
  - Organic growth of revenue before billable expenses (“net revenue”) was +7.0%
  - Organic growth across all world regions
  - Three-year organic growth of +14.0%
- Full-year net income as reported was $938.0 million, with adjusted EBITA before restructuring charges of $1,568.3 million and 16.6% margin on revenue before billable expense
- Fourth quarter total revenue including billable expenses was $3.0 billion
  - Organic growth of revenue before billable expenses (“net revenue”) was +3.8%
- Fourth quarter net income as reported was $297.2 million, with adjusted EBITA before restructuring charges of $568.4 million and 22.3% margin on revenue before billable expenses
- Fourth quarter diluted EPS was $0.76 and adjusted diluted EPS was $1.02
- Fourth quarter restructuring charges targeting annualized lease expense savings of approximately $20 million
- Full-year share repurchases of 10.3 million shares returning $320 million to shareholders
- Increased quarterly dividend 7% and authorized new $350 million share repurchase program

Organic change of Net Revenue, adjusted EBITA before Restructuring Charges and adjusted diluted EPS are non-GAAP measures. Management believes these metrics provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance. See our non-GAAP reconciliations of Organic Change of Net Revenue on pages 19-20 and adjusted results on pages 21-23, 26-27.

Operating Performance

	Three Months Ended December 31, 2022	Three Months Ended December 31, 2021
Revenue Before Billable Expenses	**$ 2,550.5**	**$ 2,548.9**
Billable Expenses	435.4	383.2
Total Revenue	**2,985.9**	**2,932.1**
Salaries and Related Expenses	1,556.9	1,586.2
Office and Other Direct Expenses	345.3	384.8
Billable Expenses	435.4	383.2
Cost of Services	**2,337.6**	**2,354.2**
Selling, General and Administrative Expenses	29.9	32.5
Depreciation and Amortization	72.1	75.1
Restructuring Charges	101.7	13.0
Total Operating Expense	**2,541.3**	**2,474.8**
Operating Income	**444.6**	**457.3**
Interest Expense, net	(24.0)	(30.2)
Other (Expense) Income, net	(7.8)	6.2
Income Before Income Taxes	**412.8**	**433.3**
Provision for Income Taxes	109.2	67.4
Equity in Net Income of Unconsolidated Affiliates	2.3	2.1
Net Income	**305.9**	**368.0**
Net Income Attributable to Noncontrolling Interests	(8.7)	(10.1)
Net Income Available to IPG Common Stockholders	**$ 297.2**	**$ 357.9**
Earnings per Share Available to IPG Common Stockholders - Basic	$ 0.77	$ 0.91
Earnings per Share Available to IPG Common Stockholders - Diluted	$ 0.76	$ 0.90
Weighted-Average Number of Common Shares Outstanding - Basic	387.9	393.7
Weighted-Average Number of Common Shares Outstanding - Diluted	392.1	399.9
Dividends Declared per Common Share	$ 0.290	$ 0.270

($ in Millions, except per share amounts)

Revenue Before Billable Expenses [1]

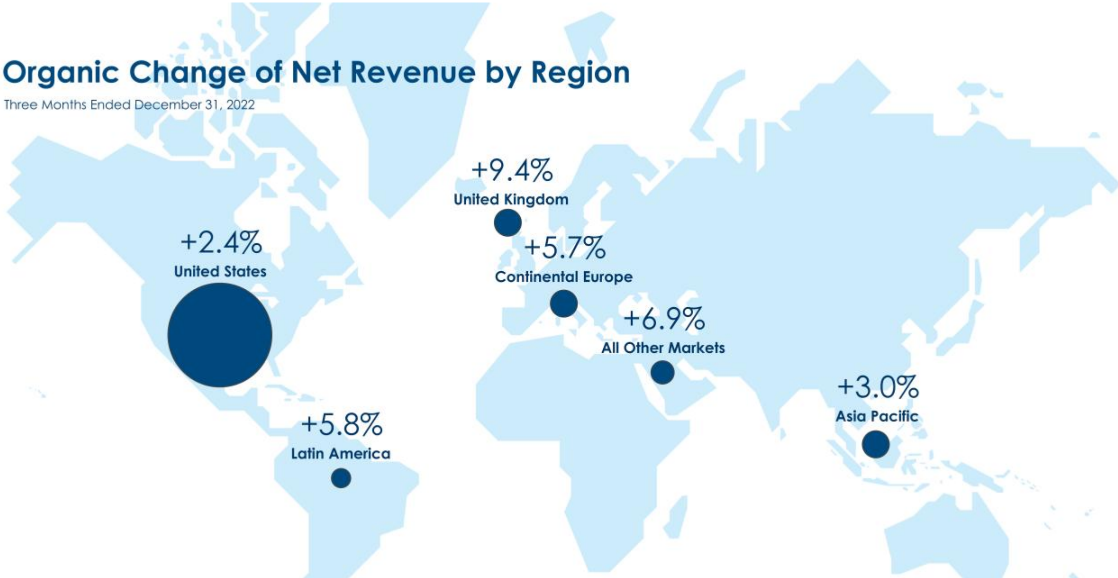
	Three Months Ended		Twelve Months Ended	
	$	% Change	$	% Change
December 31, 2021	**$ 2,548.9**		**$ 9,107.9**	
Foreign currency	(99.2)	(3.9%)	(266.9)	(3.0%)
Net acquisitions/(divestitures)	4.0	0.2%	(27.4)	(0.3%)
Organic	96.8	3.8%	635.8	7.0%
Total change	**1.6**	**0.1%**	**341.5**	**3.7%**
December 31, 2022	**$ 2,550.5**		**$ 9,449.4**	

	Three Months Ended December 31,				Twelve Months Ended December 31,			
			Change				Change	
	2022	2021 [2]	Organic	Total	2022	2021 [2]	Organic	Total
Media, Data & Engagement Solutions	$ 1,183.6	$ 1,158.5	5.0%	2.2%	$ 4,111.5	$ 3,973.6	6.4%	3.5%
IPG Mediabrands, Acxiom, and Kinesso, and our digital and commerce specialist agencies, which include MRM, R/GA, and Huge								
Integrated Advertising & Creativity Led Solutions	$ 1,010.6	$ 1,034.1	2.6%	(2.3%)	$ 3,951.7	$ 3,823.8	7.1%	3.3%
McCann Worldgroup, IPG Health, MullenLowe Group, FCB, and our domestic integrated agencies								
Specialized Communications & Experiential Solutions	$ 356.3	$ 356.3	3.5%	0.0%	$ 1,386.2	$ 1,310.5	8.5%	5.8%
Weber Shandwick, Golin, our sports, entertainment and experiential agencies, and DXTRA Health								

(1) "Net Revenue".
(2) Results for the three and twelve months ended December 31, 2021 have been recast to reflect our new reportable segments.
See reconciliation of Organic Change of Net Revenue change on pages 19-20.
($ in Millions)

Organic Change of Net Revenue by Region

Three Months Ended December 31, 2022

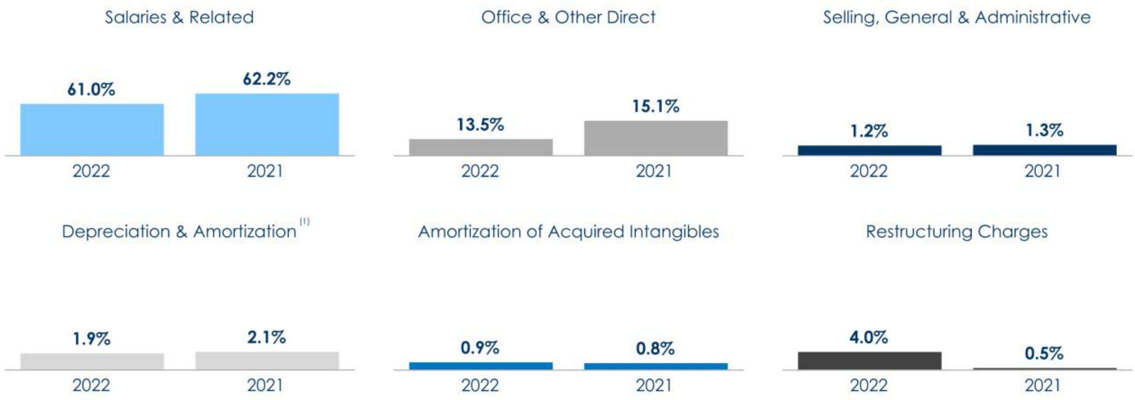


+6.1%	+3.8%
International	**Worldwide**

"All Other Markets" includes Canada, Africa and the Middle East.
Circle proportions represent consolidated Net Revenue distribution.
See reconciliation of Organic Change of Net Revenue, including total Net Revenue change, on page 19.

Operating Expenses % of Revenue Before Billable Expenses

Three Months Ended December 31



[1] Excludes amortization of acquired intangibles.

Adjusted Diluted Earnings Per Share

	Three Months Ended December 31, 2022				
	As Reported	Amortization of Acquired Intangibles	Restructuring Charges [1]	Net Losses on Business Dispositions [2]	Adjusted Results (Non-GAAP)
Operating Income and Adjusted EBITA before Restructuring Charges [3]	**$ 444.6**	**$ (22.1)**	**$ (101.7)**		**$ 568.4**
Total (Expenses) and Other Income [4]	(31.8)			$ (8.3)	(23.5)
Income Before Income Taxes	**412.8**	**(22.1)**	**(101.7)**	**(8.3)**	**544.9**
Provision for Income Taxes	109.2	4.6	26.0	0.0	139.8
Effective Tax Rate	26.5 %				25.7 %
Equity in Net Income of Unconsolidated Affiliates	2.3				2.3
Net Income Attributable to Noncontrolling Interests	(8.7)				(8.7)
DILUTED EPS COMPONENTS:					
Net Income Available to IPG Common Stockholders	**$ 297.2**	**$ (17.5)**	**$ (75.7)**	**$ (8.3)**	**$ 398.7**
Weighted-Average Number of Common Shares Outstanding	392.1				392.1
Earnings per Share Available to IPG Common Stockholders [5] [6]	**$ 0.76**	**$ (0.04)**	**$ (0.19)**	**$ (0.02)**	**$ 1.02**

[1] Restructuring Charges of $101.7 in the fourth quarter of 2022 were comprised of adjustments of $3.1 to our restructuring actions taken in 2020, which were designed to reduce our operating expenses structurally and permanently relative to revenue and to accelerate the transformation of our business and $98.6 related to new real estate exits and lease terminations to further optimize the real estate footprint supporting our office-home hybrid service model in a post-pandemic economy.
[2] Primarily relates to losses on complete dispositions of businesses and the classification of certain assets as held for sale, as well as a non-cash loss related to the remeasurement of an equity method investment in which we acquired a controlling interest.
[3] Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on slide 23.
[4] Consists of non-operating expenses including interest expense, net and other expense, net.
[5] Earnings per share amounts calculated on an unrounded basis.
[6] Basic and diluted earnings per share, both As Reported and Adjusted Results (Non-GAAP), include a negative impact of $0.02 related to the net set-up of income tax valuation allowances.
See full non-GAAP reconciliation of adjusted diluted earnings per share on page 21.

($ in Millions, except per share amounts)

Adjusted Diluted Earnings Per Share

	Twelve Months Ended December 31, 2022				
	As Reported	**Amortization of Acquired Intangibles**	**Restructuring Charges [1]**	**Net Losses on Business Dispositions [2]**	**Adjusted Results (Non-GAAP)**
Operating Income and Adjusted EBITA before Restructuring Charges [3]	**$ 1,381.2**	**$ (84.7)**	**$ (102.4)**		**$ 1,568.3**
Total (Expenses) and Other Income [4]	(112.3)			$ (3.8)	(108.5)
Income Before Income Taxes	**1,268.9**	**(84.7)**	**(102.4)**	**(3.8)**	**1,459.8**
Provision for Income Taxes	318.4	17.3	25.8	0.1	361.6
Effective Tax Rate	25.1 %				24.8 %
Equity in Net Income of Unconsolidated Affiliates	5.6				5.6
Net Income Attributable to Noncontrolling Interests	(18.1)				(18.1)
DILUTED EPS COMPONENTS:					
Net Income Available to IPG Common Stockholders	**$ 938.0**	**$ (67.4)**	**$ (76.6)**	**$ (3.7)**	**$ 1,085.7**
Weighted-Average Number of Common Shares Outstanding	395.1				395.1
Earnings per Share Available to IPG Common Stockholders [5] [6]	**$ 2.37**	**$ (0.17)**	**$ (0.19)**	**$ (0.01)**	**$ 2.75**

[1] Restructuring Charges of $102.4 in FY 2022 were comprised of adjustments of $3.8 to our restructuring actions taken in 2020, which were designed to reduce our operating expenses structurally and permanently relative to revenue and to accelerate the transformation of our business and $98.6 related to new real estate exits and lease terminations to further optimize the real estate footprint supporting our office-home hybrid service model in a post-pandemic economy.
[2] Includes a cash gain related to the sale of an equity investment, offset by losses on complete dispositions of businesses and the classification of certain assets as held for sale, a non-cash loss related to the deconsolidation of a previously consolidated subsidiary in which we maintain an equity interest, and a non-cash loss related to the remeasurement of an equity method investment in which we acquired a controlling interest.
[3] Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on slide 23.
[4] Consists of non-operating expenses including interest expense, net and other expense, net.
[5] Earnings per share amounts calculated on an unrounded basis.
[6] Basic and diluted earnings per share, both As Reported and Adjusted Results (Non-GAAP), include a negative impact of $0.02 related to the net set-up of income tax valuation allowances.
See full non-GAAP reconciliation of adjusted diluted earnings per share on page 22.

($ in Millions, except per share amounts)

Cash Flow

		Twelve Months Ended December 31, 2022	2021
Net Income		**$ 956.1**	**$ 972.8**
OPERATING ACTIVITIES:	Depreciation & amortization	327.0	359.6
	Non-cash restructuring charges	101.8	9.8
	Net losses on sales of businesses	11.3	19.4
	Other non-cash items	4.5	4.1
	Loss on early extinguishment of debt	—	74.0
	Deferred taxes	(27.0)	(8.2)
	Change in working capital, net	(672.3)	743.4
	Change in other non-current assets & liabilities	(92.6)	(99.3)
	Net cash provided by Operating Activities	**608.8**	**2,075.6**
INVESTING ACTIVITIES:	Acquisitions, net of cash acquired	(232.2)	—
	Capital expenditures	(178.1)	(195.3)
	Non-operating entity acquisition, net of cash acquired	(29.9)	—
	Deconsolidation of a subsidiary	(20.4)	(16.3)
	Net proceeds from investments	2.6	34.8
	Other investing activities	(2.0)	(8.5)
	Net cash used in Investing Activities	**(460.0)**	**(185.3)**
FINANCING ACTIVITIES:	Common stock dividends	(457.3)	(427.7)
	Repurchases of common stock	(320.1)	—
	Tax payments for employee shares withheld	(40.3)	(25.5)
	Net decrease in short-term borrowings	(29.4)	(10.8)
	Distributions to noncontrolling interests	(12.3)	(15.5)
	Acquisition-related payments	(9.3)	(28.0)
	Proceeds from long-term debt	—	998.1
	Exercise of stock options	—	8.0
	Early extinguishment of long-term debt	—	(1,066.8)
	Repayment of long-term debt	—	(504.1)
	Other financing activities	(0.8)	(11.9)
	Net cash used in Financing Activities	**(869.5)**	**(1,084.2)**
Currency effect		1.6	(45.4)
Net (decrease) increase in cash, cash equivalents and restricted cash		**$ (719.1)**	**$ 760.7**

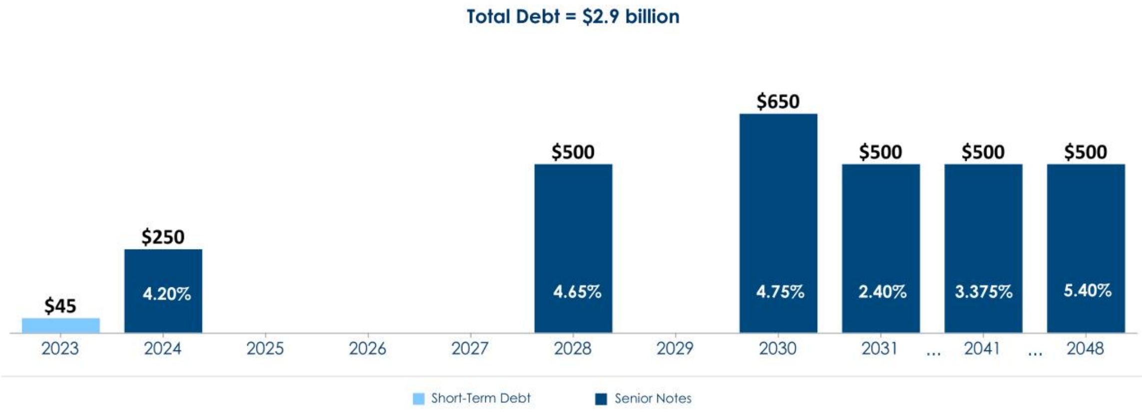
($ in Millions)

Balance Sheet — Current Portion

			December 31, 2022		December 31, 2021
CURRENT ASSETS:	Cash and cash equivalents	$	2,545.3	$	3,270.0
	Accounts receivable, net		5,316.0		5,177.7
	Accounts receivable, billable to clients		2,023.0		2,347.2
	Assets held for sale		5.9		8.2
	Other current assets		435.0		428.7
	Total current assets	**$**	**10,325.2**	**$**	**11,231.8**
CURRENT LIABILITIES:	Accounts payable	$	8,235.3	$	8,960.0
	Accrued liabilities		787.1		918.1
	Contract liabilities		680.0		688.5
	Short-term borrowings		44.3		47.5
	Current portion of long-term debt		0.6		0.7
	Current portion of operating leases		235.9		265.8
	Liabilities held for sale		—		9.4
	Total current liabilities	**$**	**9,983.2**	**$**	**10,890.0**

($ in Millions)

Debt Maturity Schedule



($ in Millions)

Summary

- A strong year, notwithstanding general macroeconomic concerns
- Continued focus on driving growth, building on our industry-leading foundation
  - Strong agency brands
  - Exceptional talent
  - Data capabilities at scale
  - Creative and innovative marketing solutions
  - Integrated digital and digital specialists
  - "Open architecture" agency collaboration
- Effective expense management is an ongoing priority
- Flexible business model is positioned to address uncertainty
- Financial strength is a continued source of value creation

Appendix

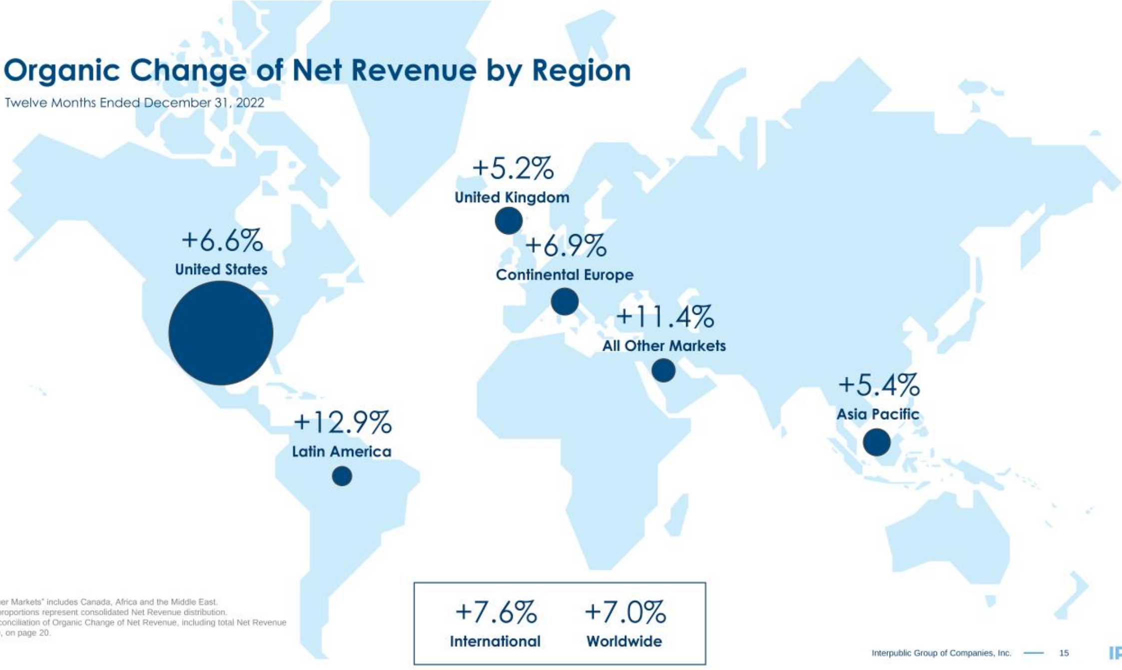
Operating Performance

	Twelve Months Ended December 31, 2022		Twelve Months Ended December 31, 2021	
Revenue Before Billable Expenses	$	**9,449.4**	$	**9,107.9**
Billable Expenses		1,478.4		1,132.8
Total Revenue		**10,927.8**		**10,240.7**
Salaries and Related Expenses		6,258.3		5,975.4
Office and Other Direct Expenses		1,346.4		1,279.6
Billable Expenses		1,478.4		1,132.8
Cost of Services		**9,083.1**		**8,387.8**
Selling, General and Administrative Expenses		87.1		122.3
Depreciation and Amortization		274.0		283.8
Restructuring Charges		102.4		10.6
Total Operating Expense		**9,546.6**		**8,804.5**
Operating Income		**1,381.2**		**1,436.2**
Interest Expense, net		(111.3)		(143.4)
Other Expense, net [(1)]		(1.0)		(70.7)
Income Before Income Taxes		**1,268.9**		**1,222.1**
Provision for Income Taxes		318.4		251.8
Equity in Net Income of Unconsolidated Affiliates		5.6		2.5
Net Income		**956.1**		**972.8**
Net Income Attributable to Noncontrolling Interests		(18.1)		(20.0)
Net Income Available to IPG Common Stockholders	$	**938.0**	$	**952.8**
Earnings per Share Available to IPG Common Stockholders - Basic	$	2.40	$	2.42
Earnings per Share Available to IPG Common Stockholders - Diluted	$	2.37	$	2.39
Weighted-Average Number of Common Shares Outstanding - Basic		391.5		393.0
Weighted-Average Number of Common Shares Outstanding - Diluted		395.1		398.4
Dividends Declared per Common Share	$	1.160	$	1.080

[(1)] Includes a loss of $74.0 on early extinguishment of debt in the first quarter of 2021.
($ in Millions, except per share amounts)

Organic Change of Net Revenue by Region

Twelve Months Ended December 31, 2022



+7.6%	+7.0%
International	Worldwide

"All Other Markets" includes Canada, Africa and the Middle East.
Circle proportions represent consolidated Net Revenue distribution.
See reconciliation of Organic Change of Net Revenue, including total Net Revenue change, on page 20.

Operating Expenses % of Revenue Before Billable Expenses

Twelve Months Ended December 31

[1] Excludes amortization of acquired intangibles.

Cash Flow

		Three Months Ended December 31,	
		2022	2021
Net Income		**$ 305.9**	**$ 368.0**
OPERATING ACTIVITIES:	Non-cash restructuring charges	101.3	12.0
	Depreciation & amortization	84.9	88.2
	Other non-cash items	9.7	6.3
	Net losses on sales of businesses	7.3	0.8
	Deferred taxes	(53.0)	(42.8)
	Change in working capital, net	851.3	1,059.1
	Change in other non-current assets & liabilities	(39.8)	(24.6)
	Net cash provided by Operating Activities	**1,267.6**	**1,467.0**
INVESTING ACTIVITIES:	Acquisitions, net of cash acquired	(232.2)	—
	Capital expenditures	(59.6)	(71.9)
	Non-operating entity acquisition, net of cash acquired	(29.9)	—
	Net proceeds from investments	—	2.1
	Other investing activities	(12.1)	(0.4)
	Net cash used in Investing Activities	**(333.8)**	**(70.2)**
FINANCING ACTIVITIES:	Common stock dividends	(112.2)	(106.3)
	Repurchases of common stock	(98.5)	—
	Distributions to noncontrolling interests	(2.7)	(6.5)
	Net decrease in short-term borrowings	(1.6)	(1.4)
	Acquisition-related payments	(0.9)	—
	Tax payments for employee shares withheld	(0.4)	(0.5)
	Repayment of long-term debt	—	(504.1)
	Other financing activities	(0.3)	2.4
	Net cash used in Financing Activities	**(216.6)**	**(616.4)**
Currency effect		60.8	(5.1)
Net increase in cash, cash equivalents and restricted cash		**$ 778.0**	**$ 775.3**

($ in Millions)

Depreciation and Amortization

	2022				
	Q1	Q2	Q3	Q4	FY 2022
Depreciation and amortization [1]	$ 46.5	$ 46.0	$ 46.8	$ 50.0	**$ 189.3**
Amortization of acquired intangibles	21.3	21.1	20.2	22.1	**84.7**
Amortization of restricted stock and other non-cash compensation	12.5	12.8	12.7	12.0	**50.0**
Net amortization of bond discounts and deferred financing costs	0.7	0.7	0.8	0.8	**3.0**

	2021				
	Q1	Q2	Q3	Q4	FY 2021
Depreciation and amortization [1]	$ 47.6	$ 48.5	$ 47.9	$ 53.6	**$ 197.6**
Amortization of acquired intangibles	21.6	21.6	21.5	21.5	**86.2**
Amortization of restricted stock and other non-cash compensation	20.3	21.9	15.7	12.2	**70.1**
Net amortization of bond discounts and deferred financing costs	2.7	1.1	1.0	0.9	**5.7**

[1] Excludes amortization of acquired intangibles.
($ in Millions)

Reconciliation of Organic Change of Net Revenue

		Three Months Ended December 31, 2021	Components of Change: Foreign Currency	Components of Change: Net Acquisitions/ (Divestitures)	Components of Change: Organic	Three Months Ended December 31, 2022	Change: Organic	Change: Total
SEGMENT:	Media, Data & Engagement Solutions [1] [2]	$ 1,158.5	$ (49.6)	$ 17.3	$ 57.4	$ 1,183.6	5.0%	2.2%
	Integrated Advertising & Creativity Led Solutions [1] [3]	1,034.1	(37.0)	(13.3)	26.8	1,010.6	2.6%	(2.3%)
	Specialized Communications & Experiential Solutions [1] [4]	356.3	(12.6)	—	12.6	356.3	3.5%	0.0%
	Total	**$ 2,548.9**	**$ (99.2)**	**$ 4.0**	**$ 96.8**	**$ 2,550.5**	**3.8%**	**0.1%**
GEOGRAPHIC:	**United States**	**$ 1,558.5**	**$ —**	**$ 14.4**	**$ 36.8**	**$ 1,609.7**	**2.4%**	**3.3%**
	International	**990.4**	**(99.2)**	**(10.4)**	**60.0**	**940.8**	**6.1%**	**(5.0%)**
	United Kingdom	207.8	(28.8)	—	19.5	198.5	9.4%	(4.5%)
	Continental Europe	240.3	(28.6)	—	13.7	225.4	5.7%	(6.2%)
	Asia Pacific	237.8	(23.4)	1.6	7.2	223.2	3.0%	(6.1%)
	Latin America	127.8	(7.0)	(1.6)	7.4	126.6	5.8%	(0.9%)
	All Other Markets	176.7	(11.4)	(10.4)	12.2	167.1	6.9%	(5.4%)
	Worldwide	**$ 2,548.9**	**$ (99.2)**	**$ 4.0**	**$ 96.8**	**$ 2,550.5**	**3.8%**	**0.1%**

[1] Results for three month ended December 31, 2021 have been recast to reflect our new reportable segments.
[2] Comprised of IPG Mediabrands, Acxiom, and Kinesso, and our digital and commerce specialist agencies, which include MRM, R/GA, and Huge.
[3] Comprised of McCann Worldgroup, IPG Health, MullenLowe Group, Foote, Cone & Belding ("FCB"), and our domestic integrated agencies.
[4] Comprised of Weber Shandwick, Golin, our sports, entertainment and experiential agencies, and DXTRA Health.
($ in Millions)

Reconciliation of Organic Change of Net Revenue

		Twelve Months Ended December 31, 2021	Components of Change: Foreign Currency	Components of Change: Net Acquisitions/ (Divestitures)	Components of Change: Organic	Twelve Months Ended December 31, 2022	Change: Organic	Change: Total
SEGMENT:	Media, Data & Engagement Solutions [1] [2]	$ 3,973.6	$ (132.6)	$ 17.1	$ 253.4	$ 4,111.5	6.4%	3.5%
	Integrated Advertising & Creativity Led Solutions [1] [3]	3,823.8	(99.5)	(43.0)	270.4	3,951.7	7.1%	3.3%
	Specialized Communications & Experiential Solutions [1] [4]	1,310.5	(34.8)	(1.5)	112.0	1,386.2	8.5%	5.8%
	Total	**$ 9,107.9**	**$ (266.9)**	**$ (27.4)**	**$ 635.8**	**$ 9,449.4**	**7.0%**	**3.7%**
GEOGRAPHIC:	**United States**	**$ 5,763.1**	**$ —**	**$ 14.4**	**$ 380.2**	**$ 6,157.7**	**6.6%**	**6.8%**
	International	**3,344.8**	**(266.9)**	**(41.8)**	**255.6**	**3,291.7**	**7.6%**	**(1.6%)**
	United Kingdom	781.5	(79.7)	—	40.4	742.2	5.2%	(5.0%)
	Continental Europe	799.7	(90.6)	—	55.5	764.6	6.9%	(4.4%)
	Asia Pacific	791.4	(57.4)	(4.1)	42.8	772.7	5.4%	(2.4%)
	Latin America	396.4	(19.4)	(4.6)	51.2	423.6	12.9%	6.9%
	All Other Markets	575.8	(19.8)	(33.1)	65.7	588.6	11.4%	2.2%
	Worldwide	**$ 9,107.9**	**$ (266.9)**	**$ (27.4)**	**$ 635.8**	**$ 9,449.4**	**7.0%**	**3.7%**

[1] Results for twelve month ended December 31, 2021 have been recast to reflect our new reportable segments.
[2] Comprised of IPG Mediabrands, Acxiom, and Kinesso, and our digital and commerce specialist agencies, which include MRM, R/GA, and Huge.
[3] Comprised of McCann Worldgroup, IPG Health, MullenLowe Group, Foote, Cone & Belding ("FCB"), and our domestic integrated agencies.
[4] Comprised of Weber Shandwick, Golin, our sports, entertainment and experiential agencies, and DXTRA Health.
($ in Millions)

Reconciliation of Adjusted Results [1]

	Three Months Ended December 31, 2022				
	As Reported	Amortization of Acquired Intangibles	Restructuring Charges [2]	Net Losses on Business Dispositions [3]	Adjusted Results (Non-GAAP)
Operating Income and Adjusted EBITA before Restructuring Charges [4]	**$ 444.6**	**$ (22.1)**	**$ (101.7)**		**$ 568.4**
Total (Expenses) and Other Income [5]	(31.8)			$ (8.3)	(23.5)
Income Before Income Taxes	**412.8**	**(22.1)**	**(101.7)**	**(8.3)**	**544.9**
Provision for Income Taxes	109.2	4.6	26.0	0.0	139.8
Effective Tax Rate	26.5 %				25.7 %
Equity in Net Income of Unconsolidated Affiliates	2.3				2.3
Net Income Attributable to Noncontrolling Interests	(8.7)				(8.7)
Net Income Available to IPG Common Stockholders	**$ 297.2**	**$ (17.5)**	**$ (75.7)**	**$ (8.3)**	**$ 398.7**
Weighted-Average Number of Common Shares Outstanding - Basic	**387.9**				**387.9**
Dilutive effect of stock options and restricted shares	4.2				4.2
Weighted-Average Number of Common Shares Outstanding - Diluted	**392.1**				**392.1**
Earnings per Share Available to IPG Common Stockholders [6] [7]:					
Basic	$ 0.77	$ (0.05)	$ (0.20)	$ (0.02)	$ 1.03
Diluted	$ 0.76	$ (0.04)	$ (0.19)	$ (0.02)	$ 1.02

(1) The table reconciles our reported results to our adjusted non-GAAP results. Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.
(2) Restructuring Charges of $101.7 in the fourth quarter of 2022 were comprised of adjustments of $3.1 to our restructuring actions taken in 2020, which were designed to reduce our operating expenses structurally and permanently relative to revenue and to accelerate the transformation of our business and $98.6 related to new real estate exits and lease terminations to further optimize the real estate footprint supporting our office-home hybrid service model in a post-pandemic economy.
(3) Primarily relates to losses on complete dispositions of businesses and the classification of certain assets as held for sale, as well as a non-cash loss related to the remeasurement of an equity method investment in which we acquired a controlling interest.
(4) Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on slide 23.
(5) Consists of non-operating expenses including interest expense, net and other expense, net.
(6) Earnings per share amounts calculated on an unrounded basis.
(7) Basic and diluted earnings per share, both As Reported and Adjusted Results (Non-GAAP), include a negative impact of $0.02 related to the net set-up of income tax valuation allowances.

($ in Millions, except per share amounts)

Reconciliation of Adjusted Results [1]

	Twelve Months Ended December 31, 2022				
	As Reported	Amortization of Acquired Intangibles	Restructuring Charges [2]	Net Losses on Business Dispositions [3]	Adjusted Results (Non-GAAP)
Operating Income and Adjusted EBITA before Restructuring Charges [4]	**$ 1,381.2**	**$ (84.7)**	**$ (102.4)**		**$ 1,568.3**
Total (Expenses) and Other Income [5]	(112.3)			$ (3.8)	(108.5)
Income Before Income Taxes	**1,268.9**	**(84.7)**	**(102.4)**	**(3.8)**	**1,459.8**
Provision for Income Taxes	318.4	17.3	25.8	0.1	361.6
Effective Tax Rate	25.1 %				24.8 %
Equity in Net Income of Unconsolidated Affiliates	5.6				5.6
Net Income Attributable to Noncontrolling Interests	(18.1)				(18.1)
Net Income Available to IPG Common Stockholders	**$ 938.0**	**$ (67.4)**	**$ (76.6)**	**$ (3.7)**	**$ 1,085.7**
Weighted-Average Number of Common Shares Outstanding - Basic	**391.5**				**391.5**
Dilutive effect of stock options and restricted shares	3.6				3.6
Weighted-Average Number of Common Shares Outstanding - Diluted	**395.1**				**395.1**
Earnings per Share Available to IPG Common Stockholders [6] [7]:					
Basic	$ 2.40	$ (0.17)	$ (0.20)	$ (0.01)	$ 2.77
Diluted	$ 2.37	$ (0.17)	$ (0.19)	$ (0.01)	$ 2.75

[1] The table reconciles our reported results to our adjusted non-GAAP results. Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.
[2] Restructuring Charges of $102.4 in FY 2022 were comprised of adjustments of $3.8 to our restructuring actions taken in 2020, which were designed to reduce our operating expenses structurally and permanently relative to revenue and to accelerate the transformation of our business and $98.6 related to new real estate exits and lease terminations to further optimize the real estate footprint supporting our office-home hybrid service model in a post-pandemic economy.
[3] Includes a cash gain related to the sale of an equity investment, offset by losses on complete dispositions of businesses and the classification of certain assets as held for sale, a non-cash loss related to the deconsolidation of a previously consolidated subsidiary in which we maintain an equity interest, and a non-cash loss related to the remeasurement of an equity method investment in which we acquired a controlling interest.
[4] Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on slide 23.
[5] Consists of non-operating expenses including interest expense, net and other expense, net.
[6] Earnings per share amounts calculated on an unrounded basis.
[7] Basic and diluted earnings per share, both As Reported and Adjusted Results (Non-GAAP), include a negative impact of $0.02 related to the net set-up of income tax valuation allowances.

($ in Millions, except per share amounts)

Reconciliation of Adjusted EBITA[1]

	Three Months Ended December 31, 2022	Three Months Ended December 31, 2021	Twelve Months Ended December 31, 2022	Twelve Months Ended December 31, 2021
Revenue Before Billable Expenses	$ 2,550.5	$ 2,548.9	$ 9,449.4	$ 9,107.9
Non-GAAP Reconciliation:				
Net Income Available to IPG Common Stockholders	$ 297.2	$ 357.9	$ 938.0	$ 952.8
Add Back:				
Provision for Income Taxes	109.2	67.4	318.4	251.8
Subtract:				
Total (Expenses) and Other Income [2]	(31.8)	(24.0)	(112.3)	(214.1)
Equity in Net Income of Unconsolidated Affiliates	2.3	2.1	5.6	2.5
Net Income Attributable to Noncontrolling Interests	(8.7)	(10.1)	(18.1)	(20.0)
Operating Income	$ 444.6	$ 457.3	$ 1,381.2	$ 1,436.2
Add Back:				
Amortization of Acquired Intangibles	22.1	21.5	84.7	86.2
Adjusted EBITA	$ 466.7	$ 478.8	$ 1,465.9	$ 1,522.4
Adjusted EBITA Margin on Revenue Before Billable Expenses %	18.3 %	18.8 %	15.5 %	16.7 %
Restructuring Charges [3]	101.7	13.0	102.4	10.6
Adjusted EBITA before Restructuring Charges	$ 568.4	$ 491.8	$ 1,568.3	$ 1,533.0
Adjusted EBITA before Restructuring Charges Margin on Revenue Before Billable Expenses %	22.3 %	19.3 %	16.6 %	16.8 %

[1] The table reconciles our reported results to our adjusted non-GAAP results. Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.
[2] Includes a loss of $74.0 on early extinguishment of debt in the first quarter of 2021.
[3] Restructuring charges of $3.1 and $3.8 in the fourth quarter and year ended December 31, 2022, respectively, were related to adjustments to our restructuring actions taken in 2020, which were designed to reduce our operating expenses structurally and permanently relative to revenue and to accelerate the transformation of our business. Restructuring charges of $98.6 in the fourth quarter and year ended December 31, 2022 were related to new real estate exits and lease terminations. The Company took these actions to further optimize the real estate footprint supporting our office-home hybrid service model in a post-pandemic economy. All included opportunities for further efficiencies as a result of the current working environment were identified and completed during the fourth quarter of 2022.

($ in Millions)

Adjusted EBITA before Restructuring Charges by Segment [1]

	Media, Data & Engagement Solutions [2]		Integrated Advertising & Creativity Led Solutions [3]		Specialized Communications & Experiential Solutions [4]		Corporate and Other [5]		IPG Consolidated [1]	
	Three Months Ended December 31,		Three Months Ended December 31,		Three Months Ended December 31,		Three Months Ended December 31,		Three Months Ended December 31,	
	2022	2021 [6]	2022	2021 [6]	2022	2021 [6]	2022	2021 [6]	2022	2021 [6]
Revenue Before Billable Expenses	**$ 1,183.6**	**$ 1,158.5**	**$ 1,010.6**	**$ 1,034.1**	**$ 356.3**	**$ 356.3**			**$ 2,550.5**	**$ 2,548.9**
Segment/Adjusted EBITA	$ 284.9	$ 282.1	$ 159.2	$ 191.5	$ 55.2	$ 40.6	$ (32.6)	$ (35.4)	$ 466.7	$ 478.8
Restructuring Charges [7]	64.2	0.3	27.6	2.8	9.2	9.8	0.7	0.1	101.7	13.0
Segment/Adjusted EBITA before Restructuring Charges	**$ 349.1**	**$ 282.4**	**$ 186.8**	**$ 194.3**	**$ 64.4**	**$ 50.4**	**$ (31.9)**	**$ (35.3)**	**$ 568.4**	**$ 491.8**
Margin (%) of Revenue Before Billable Expenses	*29.5 %*	*24.4 %*	*18.5 %*	*18.8 %*	*18.1 %*	*14.1 %*			*22.3 %*	*19.3 %*

[1] Adjusted EBITA before Restructuring and Other Charges is calculated as net income available to IPG common stockholders before provision for incomes taxes, total (expenses) and other income, equity in net income of unconsolidated affiliates, net income attributable to non-controlling interests, amortization of acquired intangibles and restructuring and other charges.
[2] Comprised of IPG Mediabrands, Acxiom, and Kinesso, as well as our digital and commerce specialist agencies, which include MRM, R/GA, and Huge.
[3] Comprised of McCann Worldgroup, IPG Health, MullenLowe Group, FCB, and our domestic integrated agencies.
[4] Comprised of Weber Shandwick, Golin, our sports, entertainment and experiential agencies, and DXTRA Health.
[5] Corporate and Other is primarily comprised of selling, general and administrative expenses including corporate office expenses as well as shared service center and certain other centrally managed expenses that are not fully allocated to operating divisions.
[6] Results for the three months ended December 31, 2021 have been recast to reflect our new reportable segments.
[7] Restructuring charges of $3.1 in the fourth quarter ended December 31, 2022, respectively, were related to adjustments to our restructuring actions taken in 2020, which were designed to reduce our operating expenses structurally and permanently relative to revenue and to accelerate the transformation of our business. Restructuring charges of $98.6 in the fourth quarter ended December 31, 2022 were related to new real estate exits and lease terminations. The Company took these actions to further optimize our real estate footprint as a result of a shift in our hybrid model used to deliver and support our services in a post-pandemic economy. All included opportunities for further efficiencies as a result of the current working environment were identified and completed during the fourth quarter of 2022.

($ in Millions)

Adjusted EBITA before Restructuring Charges by Segment [1]

	Media, Data & Engagement Solutions [2]		Integrated Advertising & Creativity Led Solutions [3]		Specialized Communications & Experiential Solutions [4]		Corporate and Other [5]		IPG Consolidated [1]	
	Twelve Months Ended December 31,		Twelve Months Ended December 31,		Twelve Months Ended December 31,		Twelve Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021 [6]	2022	2021 [6]	2022	2021 [6]	2022	2021 [6]	2022	2021 [6]
Revenue Before Billable Expenses	**$ 4,111.5**	**$ 3,973.6**	**$ 3,951.7**	**$ 3,823.8**	**$ 1,386.2**	**$ 1,310.5**			**$ 9,449.4**	**$ 9,107.9**
Segment/Adjusted EBITA	$ 701.8	$ 818.0	$ 624.1	$ 645.2	$ 234.5	$ 188.6	$ (94.5)	$ (129.4)	$ 1,465.9	$ 1,522.4
Restructuring Charges [7]	64.2	0.1	33.6	2.6	3.8	10.0	0.8	(2.1)	102.4	10.6
Segment/Adjusted EBITA before Restructuring Charges	**$ 766.0**	**$ 818.1**	**$ 657.7**	**$ 647.8**	**$ 238.3**	**$ 198.6**	**$ (93.7)**	**$ (131.5)**	**$ 1,568.3**	**$ 1,533.0**
Margin (%) of Revenue Before Billable Expenses	*18.6 %*	*20.6 %*	*16.6 %*	*16.9 %*	*17.2 %*	*15.2 %*			*16.6 %*	*16.8 %*

[1] Adjusted EBITA before Restructuring and Other Charges is calculated as net income available to IPG common stockholders before provision for incomes taxes, total (expenses) and other income, equity in net income of unconsolidated affiliates, net income attributable to non-controlling interests, amortization of acquired intangibles and restructuring and other charges.
[2] Comprised of IPG Mediabrands, Acxiom, and Kinesso, as well as our digital and commerce specialist agencies, which include MRM, R/GA, and Huge.
[3] Comprised of McCann Worldgroup, IPG Health, MullenLowe Group, FCB, and our domestic integrated agencies.
[4] Comprised of Weber Shandwick, Golin, our sports, entertainment and experiential agencies, and DXTRA Health.
[5] Corporate and Other is primarily comprised of selling, general and administrative expenses including corporate office expenses as well as shared service center and certain other centrally managed expenses that are not fully allocated to operating divisions.
[6] Results for the twelve months ended December 31, 2021 have been recast to reflect our new reportable segments.
[7] Restructuring charges of $3.8 in the year ended December 31, 2022, respectively, were related to adjustments to our restructuring actions taken in 2020, which were designed to reduce our operating expenses structurally and permanently relative to revenue and to accelerate the transformation of our business. Restructuring charges of $98.6 in the year ended December 31, 2022 were related to new real estate exits and lease terminations. The Company took these actions to further optimize our real estate footprint as a result of a shift in our hybrid model used to deliver and support our services in a post-pandemic economy. All included opportunities for further efficiencies as a result of the current working environment were identified and completed during the fourth quarter of 2022.

($ in Millions)

Reconciliation of Adjusted Results [1]

	Three Months Ended December 31, 2021				
	As Reported	**Amortization of Acquired Intangibles**	**Restructuring Charges [2]**	**Net Losses on Sales of Businesses**	**Adjusted Results (Non-GAAP)**
Operating Income and Adjusted EBITA before Restructuring Charges [3]	**$ 457.3**	**$ (21.5)**	**$ (13.0)**		**$ 491.8**
Total (Expenses) and Other Income [4]	(24.0)			$ (0.8)	(23.2)
Income Before Income Taxes	**433.3**	**(21.5)**	**(13.0)**	**(0.8)**	**468.6**
Provision for Income Taxes	67.4	4.3	2.9	0.3	74.9
Effective Tax Rate	15.6 %				16.0 %
Equity in Net Income of Unconsolidated Affiliates	2.1				2.1
Net Income Attributable to Noncontrolling Interests	(10.1)				(10.1)
Net Income Available to IPG Common Stockholders	**$ 357.9**	**$ (17.2)**	**$ (10.1)**	**$ (0.5)**	**$ 385.7**
Weighted-Average Number of Common Shares Outstanding - Basic	**393.7**				**393.7**
Dilutive effect of stock options and restricted shares	6.2				6.2
Weighted-Average Number of Common Shares Outstanding - Diluted	**399.9**				**399.9**
Earnings per Share Available to IPG Common Stockholders [5] [6]:					
Basic	$ 0.91	$ (0.04)	$ (0.03)	$ (0.00)	$ 0.98
Diluted	$ 0.90	$ (0.04)	$ (0.03)	$ (0.00)	$ 0.97

(1) The table reconciles our reported results to our adjusted non-GAAP results. Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.
(2) Restructuring Charges of $13.0 in the fourth quarter of 2021 were related to adjustments to our restructuring actions taken in 2020, which were designed to reduce our operating expenses structurally and permanently relative to revenue and to accelerate the transformation of our business.
(3) Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on slide 23.
(4) Consists of non-operating expenses including interest expense, net and other expense, net.
(5) Earnings per share basic and diluted per share, both as reported and adjusted results (Non-GAAP), include a positive impact of $0.15 related to the reversals of income tax valuation allowances.
(6) Earnings per share amounts calculated on an unrounded basis.

($ in Millions, except per share amounts)

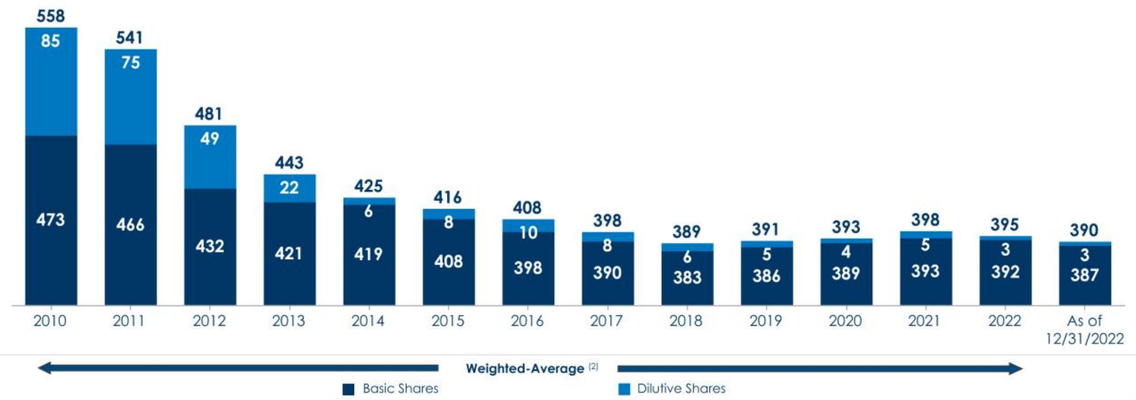
Reconciliation of Adjusted Results [1]

	Twelve Months Ended December 31, 2021					
	As Reported	**Amortization of Acquired Intangibles**	**Restructuring Charges [2]**	**Net Losses on Sales of Businesses [3]**	**Loss on Early Extinguishment of Debt [4]**	**Adjusted Results (Non-GAAP)**
Operating Income and Adjusted EBITA before Restructuring Charges [5]	**$ 1,436.2**	**$ (86.2)**	**$ (10.6)**			**$ 1,533.0**
Total (Expenses) and Other Income [6]	(214.1)			$ (13.3)	$ (74.0)	(126.8)
Income Before Income Taxes	**1,222.1**	**(86.2)**	**(10.6)**	**(13.3)**	**(74.0)**	**1,406.2**
Provision for Income Taxes	251.8	16.9	3.2	2.0	18.5	292.4
Effective Tax Rate	20.6 %					20.8 %
Equity in Net Income of Unconsolidated Affiliates	2.5					2.5
Net Income Attributable to Noncontrolling Interests	(20.0)					(20.0)
Net Income Available to IPG Common Stockholders	**$ 952.8**	**$ (69.3)**	**$ (7.4)**	**$ (11.3)**	**$ (55.5)**	**$ 1,096.3**
Weighted-Average Number of Common Shares Outstanding - Basic	**393.0**					**393.0**
Dilutive effect of stock options and restricted shares	5.4					5.4
Weighted-Average Number of Common Shares Outstanding - Diluted	**398.4**					**398.4**
Earnings per Share Available to IPG Common Stockholders [7] [8]:						
Basic	$ 2.42	$ (0.18)	$ (0.02)	$ (0.03)	$ (0.14)	$ 2.79
Diluted	$ 2.39	$ (0.17)	$ (0.02)	$ (0.03)	$ (0.14)	$ 2.75

[1] The table reconciles our reported results to our adjusted non-GAAP results. Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.
[2] Restructuring Charges of $10.6 in FY 2021 were related to adjustments to our restructuring actions taken in 2020, which were designed to reduce our operating expenses structurally and permanently relative to revenue and to accelerate the transformation of our business.
[3] Includes losses on compete dispositions of businesses and the classification of certain assets as held for sale, partially offset by a non-cash in the third quarter of 2021 related to the deconsolidation of a previously consolidated subsidiary in which we maintain an equity interest.
[4] Consists of a loss related to the early extinguishment of our 4.000% unsecured senior notes due 2022, 3.750% unsecured senior notes due 2023 and half of our 4.200% unsecured senior notes due 2024.
[5] Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on slide 23.
[6] Consists of non-operating expenses including interest expense, net and other expense, net.
[7] Earnings per share basic and diluted per share, both as reported and adjusted results (Non-GAAP), include a positive impact of $0.15 related to the reversals of income tax valuation allowances.
[8] Earnings per share amounts calculated on an unrounded basis.

($ in Millions, except per share amounts)

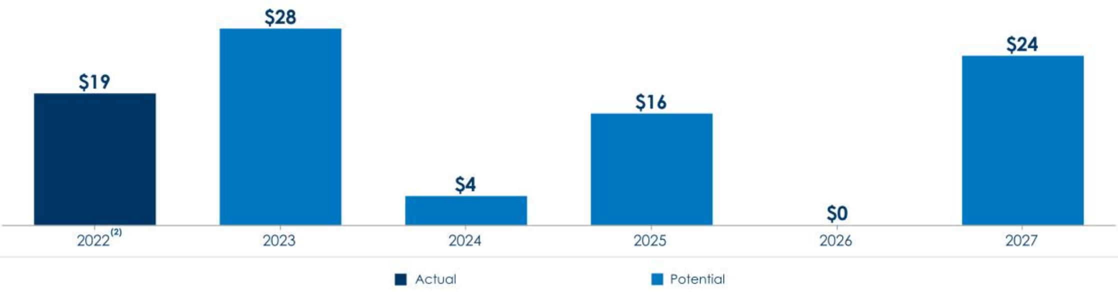
Total Shares: Basic and Eligible for Dilution[1]



(1) Includes basic common shares outstanding, restricted shares, in-the-money stock options and convertible debt and preferred stock eligible for dilution.
(2) Equals weighted-average shares outstanding as defined above for the twelve months ending December 31st for the periods presented.

(Amounts in Millions)

Acquisition Payment Obligations[1]



(1) Amounts represent payments related to our previous acquisitions based on current estimates of financial performance and are subject to change. Amounts include deferred payments, payments we may be required to make in connection with our redeemable noncontrolling interests and call options with affiliates. With respect to redeemable noncontrolling interests and call options with affiliates, the estimated payment amounts are shown as an obligation in the earliest year in which they are exercisable and payable, though some are eligible for exercise in multiple years and can also be paid over multiple years.

(2) Payments include approximately $10 recorded with operating activities in our statements of cash flows.

($ in Millions)

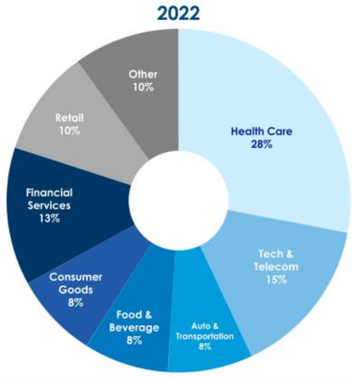
Metrics Update

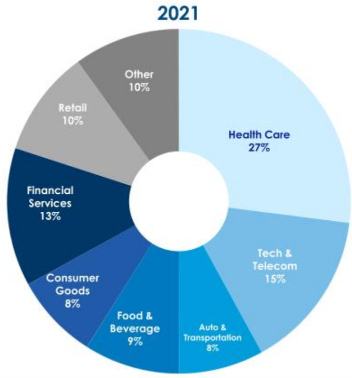
Metrics Update

CATEGORY:	Revenue Before Billable Expenses	SALARIES & RELATED (% of Revenue Before Billable Expenses)	OFFICE & OTHER DIRECT (% of Revenue Before Billable Expenses)	REAL ESTATE	FINANCIAL
METRIC:	By Client Sector	Twelve Months Ended	Twelve Months Ended	Total Square Feet	Available Liquidity
		Base, Benefits & Tax	Occupancy Expense		Credit Facilities Covenant
		Incentive Expense	All Other Office and Other Direct Expenses		
		Severance Expense			
		Temporary Help			

Revenue Before Billable Expenses By Client Sector

Top 500 Clients for the Twelve Months Ended December 31



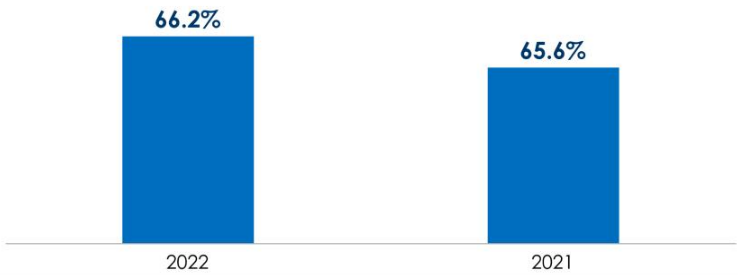


Approximately 85% of Consolidated Revenue Before Billable Expenses

Salaries & Related Expenses

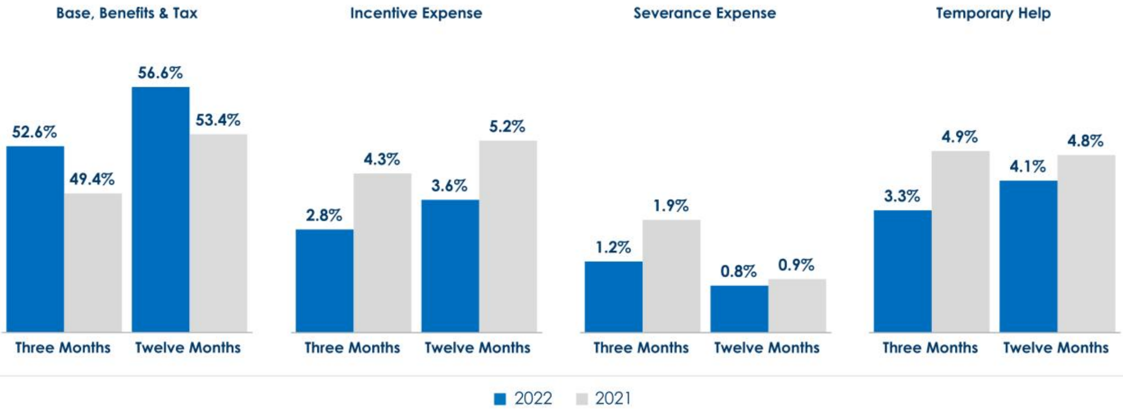
Twelve Months Ended December 31

% of Revenue Before Billable Expenses



Salaries & Related Expenses (% of Revenue Before Billable Expenses)

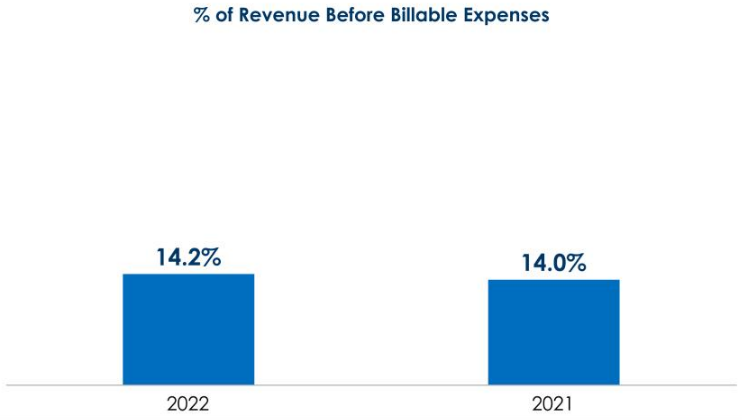
Three and Twelve Months Ended December 31



"All Other Salaries & Related," not shown, was 1.1% and 1.7% for the three months ended December 31, 2022 and 2021, respectively, and 1.1% and 1.3% for the twelve months ended December 31, 2022 and 2021, respectively.

Office & Other Direct Expenses

Twelve Months Ended December 31



Office & Other Direct Expenses (% of Revenue Before Billable Expenses)

Three and Twelve Months Ended December 31

"All Other" primarily includes client service costs, non-pass through production expenses, travel and entertainment, professional fees, spending to support new business activity, telecommunications, office supplies, bad debt expense, adjustments to contingent acquisition obligations, foreign currency losses (gains) and other expenses.

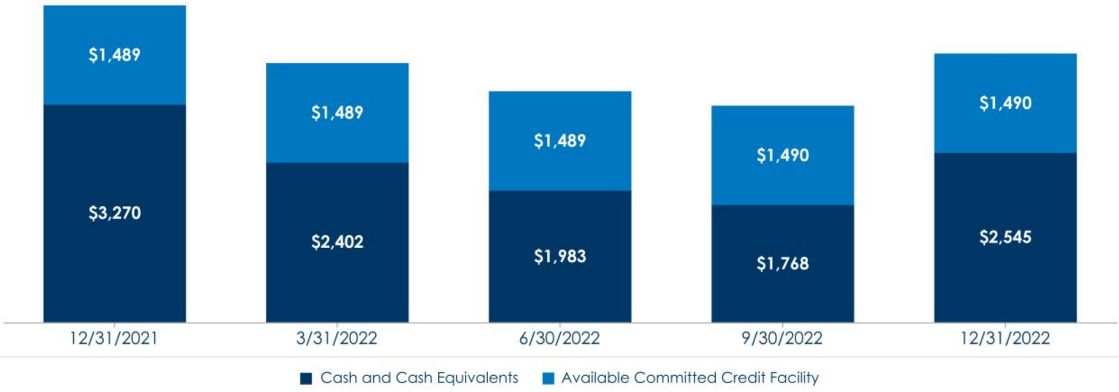
Real Estate

Total Square Feet as of December 31

(1) Increase primarily due to the inclusion of Acxiom real estate.
(2) Decrease primarily due to real estate restructuring actions taken as part of the 2020 Restructuring Plan.
(3) Decrease primarily due to new real estate exits and lease terminations to further optimize our real estate footprint as a result of a shift in our home-office hybrid service model in a post-pandemic economy.
(Amounts in Millions)

Available Liquidity

Cash, Cash Equivalents + Available Committed Credit Facilities



($ in Millions)

Credit Facility Covenant

Covenants		Four Quarters Ended December 31, 2022
Leverage Ratio (not greater than) [1]		3.50x
Actual Leverage Ratio		**1.61x**

CREDIT AGREEMENT EBITDA RECONCILIATION:		Four Quarters Ended December 31, 2022
Net Income Available to IPG Common Stockholders	$	938.0
+ Non-Operating Adjustments [2]		443.2
Operating Income	$	1,381.2
+ Depreciation and Amortization		340.3
+ Other Non-cash Charges Reducing Operating Income		85.4
+ Other Non-cash adjustments		6.7
Credit Agreement EBITDA [1]:	**$**	**1,813.6**

[1] The leverage ratio is defined as debt as of the last day of such fiscal quarter to EBITDA (as defined in the Credit Agreement) for the four quarters then ended. Management utilizes Credit Agreement EBITDA, which is a non-GAAP financial measure, as well as the amounts shown in the table above, calculated as required by the Credit Agreement, in order to assess our compliance with such covenants.
[2] Includes adjustments of the following items from our consolidated statement of operations: provision for income taxes, total (expenses) and other income, equity in net income (loss) of unconsolidated affiliates, and net income attributable to non-controlling interests.

($ in Millions)

Cautionary Statement

This investor presentation contains forward-looking statements. Statements in this investor presentation that are not historical facts, including statements regarding guidance, goals, intentions, and expectations as to future plans, trends, events, or future results of operations or financial position, constitute forward-looking statements. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties, which could cause our actual results and outcomes to differ materially from those reflected in the forward-looking statements, and are subject to change based on a number of factors, including those outlined under Item 1A, Risk Factors, in our most recent Annual Report on Form 10-K, and our other filings with the Securities and Exchange Commission ("SEC"). Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Such factors include, but are not limited to, the following:

- the effects of a challenging economy on the demand for our advertising and marketing services, on our clients' financial condition and on our business or financial condition;
- our ability to attract new clients and retain existing clients;
- our ability to retain and attract key employees;
- the impacts of the COVID-19 pandemic, including potential developments like the emergence of more transmissible or virulent coronavirus variants, and associated mitigation measures, such as restrictions on businesses, social activities and travel, on the economy, our clients and demand for our services;
- risks associated with the effects of global, national and regional economic conditions, including counterparty risks and fluctuations in interest rates, inflation rates and currency exchange rates;
- the economic or business impact of military or political conflict in key markets;
- risks associated with assumptions we make in connection with our critical accounting estimates, including changes in assumptions associated with any effects of a challenging economy;
- potential adverse effects if we are required to recognize impairment charges or other adverse accounting-related developments;
- developments from changes in the regulatory and legal environment for advertising and marketing services companies around the world, including laws and regulations related to data protection and consumer privacy; and
- the impact on our operations of general or directed cybersecurity events.

Investors should carefully consider the foregoing factors and the other risks and uncertainties that may affect our business, including those outlined under Item 1A, Risk Factors, in our most recent annual report on Form 10-K, and our other SEC filings. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made. We undertake no obligation to update or revise publicly any of them in light of new information, future events, or otherwise.