FORM 10-Q
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

(Mark One)

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

For the quarterly period ending September 30, 1998

OR

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

For the transition period from____________to_______________

Commission file number 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, New York, New York	10020
(Address of principal executive offices)	(Zip Code)

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

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 the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. Common Stock outstanding at October 31,1998: 138,984,743 shares.

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
I N D E X

PART I - FINANCIAL INFORMATIONTHE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIESCONSOLIDATED BALANCE SHEET(Dollars in Thousands)ASSETS
(unaudited)

	SEPTEMBER 30, 1998	DECEMBER 31, 1997 <F1>
Current Assets:		
Cash and cash equivalents (includes certificates of deposit: 1998-$104,194; 1997-$256,934)	$ 621,698	$ 735,440
Marketable securities, at cost which approximates market	46,440	31,944
Receivables (less allowance for doubtful accounts: 1998-$52,161; 1997-$39,896)	3,152,671	3,050,917
Expenditures billable to clients	314,666	240,000
Prepaid expenses and other current assets	156,530	105,504
Total current assets	4,292,005	4,163,805
Other Assets:		
Investment in unconsolidated affiliates	51,183	46,665
Deferred taxes on income	65,242	59,424
Other investments and miscellaneous assets	229,513	219,839
Total other assets	345,938	325,928
Fixed Assets, at cost:		
Land and buildings	88,202	83,621
Furniture and equipment	573,648	503,823
	661,850	587,444
Less accumulated depreciation	378,570	330,593
	283,280	256,851
Unamortized leasehold improvements	111,123	103,494
Total fixed assets	394,403	360,345
Intangible Assets (less accumulated amortization: 1998-$268,878; 1997-$227,401)	1,172,387	1,027,527
Total assets	$6,204,733	$5,877,605

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(Dollars in Thousands Except Per Share Data)
LIABILITIES AND STOCKHOLDERS' EQUITY
(unaudited)

	SEPTEMBER 30, 1998	DECEMBER 31, 1997 <F1>
Current Liabilities:		
Payable to banks	$ 227,104	$ 162,807
Accounts payable	3,193,273	3,156,049
Accrued expenses	465,432	448,054
Accrued income taxes	176,968	151,138
Total current liabilities	4,062,777	3,918,048
Noncurrent Liabilities:		
Long-term debt	262,211	253,910
Convertible subordinated debentures	201,847	201,768
Deferred compensation and reserve for termination allowances	280,811	263,463
Accrued postretirement benefits	48,049	47,404
Other noncurrent liabilities	64,266	70,791
Minority interests in consolidated subsidiaries	52,274	31,917
Total noncurrent liabilities	909,458	869,253
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: 1998 - 145,365,365 1997 - 143,567,843	14,537	14,357
Additional paid-in capital	665,282	552,282
Retained earnings	1,134,785	995,702
Adjustment for minimum pension liability	(13,207)	(13,207)
Net unrealized gain on equity securities	10,017	12,405
Cumulative translation adjustment	(136,483)	(154,093)
	1,674,931	1,407,446
Less: Treasury stock, at cost: 1998 - 9,055,137 shares 1997 - 8,063,983 shares	371,169	253,088
Unearned ESOP compensation	-	7,420
Unamortized expense of restricted stock grants	71,264	56,634
Total stockholders' equity	1,232,498	1,090,304
Total liabilities and stockholders' equity	$6,204,733	$5,877,605

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

<F1> Restated to reflect the aggregate effect of acquisitions accounted for as poolings of interests. See Note (c).

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF INCOME (unaudited)
THREE MONTHS ENDED SEPTEMBER 30
(Dollars in Thousands Except Per Share Data)

	1998	1997 <F1>
Revenue	$ 837,371	$ 710,872
Other income	24,077	22,086

Gross income	861,448	732,958
Costs and expenses:		
Operating expenses	759,869	660,465
Interest	14,210	14,343
Total costs and expenses	774,079	674,808
Income before provision for income taxes	87,369	58,150
Provision for income taxes	38,207	26,124
Income of consolidated companies	49,162	32,026
Income applicable to minority interests	(5,488)	(3,403)
Equity in net income of unconsolidated affiliates	1,488	2,460
Net income	$ 45,162	$ 31,083
Weighted average shares:		
Basic	132,792,504	127,078,261
Diluted	137,567,041	132,181,681
Earnings Per Share:		
Basic	$ .34	$ .24
Diluted	$ .33	$ .24
Dividend per share - Interpublic	$ .15	$ .13

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

<F1> Restated to reflect the aggregate effect of acquisitions accounted for as poolings of interests. See Note (c).

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF INCOME (unaudited)
NINE MONTHS ENDED SEPTEMBER 30

(Dollars in Thousands Except Per Share Data)

	1998	1997 <F1>
Revenue	$ 2,541,729	$ 2,177,268
Other income	67,382	60,345
Gross income	2,609,111	2,237,613
Costs and expenses:		
Operating expenses	2,211,957	1,924,630
Interest	37,819	36,347
Total costs and expenses	2,249,776	1,960,977
Income before provision for income taxes	359,335	276,636
Provision for income taxes	150,846	114,142
Income of consolidated companies	208,489	162,494
Income applicable to minority interests	(14,688)	(14,185)

Equity in net income of unconsolidated affiliates	3,554	5,425
Net income	$ 197,355	$ 153,734
Weighted average shares:		
Basic	132,704,118	126,991,427
Diluted	137,783,816	136,285,448
Earnings Per Share:		
Basic	$ 1.49	$ 1.21
Diluted	$ 1.44	$ 1.17
Dividend per share - Interpublic	$ .43	.37

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

<F1> Restated to reflect the aggregate effect of acquisitions accounted for as poolings of interests. See Note (c).

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (unaudited)
NINE MONTHS ENDED SEPTEMBER 30

(Dollars in Thousands)

	1998	1997 <F1>
Net Income	$ 197,355	$ 153,734
Other Comprehensive Income, net of tax:		
Foreign Currency Translation Adjustments	17,610	(54,509)
Net Unrealized Gains on Securities	(2,388)	-
Other Comprehensive Income	15,222	(54,509)
Comprehensive Income	$ 212,577	$ 99,225

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

<F1> Restated to reflect the aggregate effect of acquisitions accounted for as poolings of interests. See Note (c).

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS (unaudited)
NINE MONTHS ENDED SEPTEMBER 30
(Dollars in Thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:	1998	1997 <F1>
Net income	$ 197,355	$ 153,734
Adjustments to reconcile net income to cash provided by/(used in) operating activities:		
Depreciation and amortization of fixed assets	64,248	54,726
Amortization of intangible assets	41,477	26,674
Amortization of restricted stock awards	14,634	11,883
Equity in net income of unconsolidated affiliates	(3,554)	(5,425)
Income applicable to minority interests	14,688	14,185
Translation losses	854	743
Net gain from sale of investments	(7,579)	-
Other	(2,764)	(7,790)
Changes in assets and liabilities, net of acquisitions:		
Receivables	4,289	47,105
Expenditures billable to clients	(70,490)	(90,751)
Prepaid expenses and other assets	(29,472)	(4,737)
Accounts payable and other liabilities	(66,665)	(143,338)
Accrued income taxes	3,817	(24,443)
Deferred income taxes	(3,436)	2,328
Deferred compensation and reserve for termination allowances	2,249	930
Net cash provided by operating activities	159,651	35,824
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions	(83,857)	(79,494)
Capital expenditures	(83,281)	(72,389)
Proceeds from sale of assets	22,518	590
Net purchases of marketable securities	(9,331)	(14,933)
Other investments and miscellaneous assets	(4,146)	(4,169)
Investments in unconsolidated affiliates	(7,923)	(5,742)
Net cash used in investing activities	(166,020)	(176,137)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in short-term borrowings	75,002	11,725
Proceeds from long-term debt	6,535	253,212
Payments of long-term debt	(22,101)	(25,642)
Treasury stock acquired	(148,639)	(106,163)
Payments from Unearned ESOP	7,420	-
Issuance of common stock	26,795	31,589
Cash dividends - Interpublic	(56,557)	(44,932)
Cash dividends - pooled	-	(7,158)
Net cash (used in)/provided by financing activities	(111,545)	112,631
Effect of exchange rates on cash and cash equivalents	4,172	(25,261)
Decrease in cash and cash equivalents	(113,742)	(52,943)
Cash and cash equivalents at beginning of year	735,440	507,394
Cash and cash equivalents at end of period	$ 621,698	$ 454,451

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

<F1> Restated to reflect the aggregate effect of acquisitions accounted for as poolings of interests. See Note (c).

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIESNOTES TO

CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

1. Consolidated Financial Statements

(a) In the opinion of management, the consolidated balance sheet as of September 30, 1998, the consolidated statements of income for the three months and nine months ended September 30, 1998 and 1997, the statement of comprehensive income for the nine months ended September 30,1998 and 1997, and the consolidated statement of cash flows for the nine months ended September 30, 1998 and 1997, contain all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows at September 30, 1998 and for all periods presented.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been omitted. It is suggested that these consolidated financial statements be read in conjunction with the consolidated financial statements and notes thereto included in The Interpublic Group of Companies, Inc.'s (the "Company") December 31, 1997 annual report to stockholders and with the supplemental consolidated financial statements and notes thereto included in the Company's Current Report on Form 8-K dated July 1, 1998.

(b) Statement of Financial Accounting Standards (SFAS) No. 95 "Statement of Cash Flows" requires disclosures of specific cash payments and noncash investing and financing activities. The Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents. Income tax cash payments were approximately $140.1 million and $91.1 million in the first nine months of 1998 and 1997, respectively. Interest payments during the first nine months of 1998 were approximately $27.0 million. Interest payments during the comparable period of 1997 were approximately $22.1 million.

(c) In April 1998, the Company issued 4,685,334 shares of its common stock for three acquisitions, which were accounted for as poolings of interests. These included Hill, Holliday, Connors, Cosmopulos Inc. - 2,062,434 shares, The Jack Morton Company - 2,135,996 shares and Carmichael Lynch Inc. - 486,904 shares. The Company's 1997 consolidated financial statements, including the related notes, have been restated to include the results of operations, financial position and cash flows of the April 1998 pooled entities in addition to all prior pooled entities.

(d) In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS No. 133). SFAS No. 133 is effective for all fiscal quarters of all fiscal years beginning after June 15, 1999 (January 1, 2000 for the Company). SFAS No. 133 requires that all derivative instruments be recorded on the balance sheet at their fair value. Changes in the fair value of derivatives are recorded each period in current earnings or other comprehensive income, depending on whether a derivative is designated as part of a hedge transaction and, if it is, the type of hedge transaction. Management of the Company believes that the adoption of SFAS No. 133 will not have a material impact on the Company's results of operations or its financial position.

(e) Subsequent event
Effective October 1998, the Company acquired International Public Relations, plc.

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

LIQUIDITY AND CAPITAL RESOURCES

Working capital at September 30, 1998 was $229.2 million, a decrease of $16.5 million from December 31, 1997. The ratio of current assets to current liabilities remained relatively unchanged from December 31, 1997 at approximately 1.1 to 1.

Historically, cash flow from operations has been the primary source of working capital and management believes that it will continue to be in the future. The principal use of the Company's working capital is to provide for the operating needs of its advertising agencies, which include payments for space or time purchased from various media on behalf of its clients. The Company's practice is to bill and collect from its clients in sufficient time to pay the amounts due media. Other uses of working capital include the payment of cash dividends, acquisitions, capital expenditures and the reduction of long-term debt. In addition, during the first nine months of 1998, the Company acquired 2,659,065 shares of its own stock for approximately $148.6 million for the purposes of fulfilling the Company's obligations under its various compensation plans.

RESULTS OF OPERATIONSThree Months Ended September 30, 1998 Compared to Three Months Ended September 30, 1997Total revenue for the three months ended September 30, 1998 increased $126.5 million, or 17.8%, to $837.4 million compared to the same period in 1997. Domestic revenue increased $65.1 million or 18.0% from 1997 levels. Foreign revenue increased $61.4 million or 17.6% during the third quarter of 1998 compared to 1997. The impact of foreign currency was negligible for the three months ended September 30, 1998. Other income increased by $2.0 million during the third quarter of 1998 compared to the same period in 1997.

Operating expenses increased $99.4 million or 15.1% during the three months ended September 30, 1998 compared to the same period in 1997. Interest expense decreased 0.9% as compared to the same period in 1997. Included in operating expenses were net losses from exchange and translation of foreign currencies of $.4 million and $3.1 million in 1998 and 1997, respectively.

Pretax income increased $29.2 million or 50.2% during the three months ended September 30, 1998 compared to the same period in 1997.

The increase in total revenue, operating expenses, and pretax income is primarily due to the effect of new business gains and acquisitions.

The effective tax rate for the three months ended September 30, 1998 was 43.7%, as compared to 44.9% in 1997.

The difference between the effective and statutory rates is primarily due to foreign losses with no tax benefit, losses from translation of foreign currencies which provided no tax benefit, state and local taxes, foreign withholding taxes on dividends and nondeductible goodwill expense.

Nine Months Ended September 30, 1998 Compared to Nine Months Ended September 30, 1997

Total revenue for the nine months ended September 30, 1998 increased $364.5 million, or 16.7%, to $2,541.7 million compared to the same period in 1997. Domestic revenue increased $215.7 million or 19.9% from 1997 levels. Foreign revenue increased $148.8 million or 13.6% during the first nine months of 1998 compared to 1997. Worldwide revenue would have increased an additional 3.1% in 1998 except for the strengthening of the U.S. dollar against major currencies. Other income increased $7.0 million in the first nine months of 1998 compared to the same period in 1997.

Operating expenses increased $287.3 million or 14.9% during the nine months ended September 30, 1998 compared to the same period in 1997. Interest expense increased 4.0% during the nine months ended September 30, 1998 as compared to the same nine month period in 1997. Included in operating expenses were net losses from exchange and translation of foreign currencies of $2.6 million and $4.5 million in 1998 and 1997, respectively.

Pretax income increased $82.7 million or 29.9% during the nine months ended September 30, 1998 compared to the same period in 1997.

The increase in total revenue, operating expenses, and pretax income is primarily due to the effect of new business gains and acquisitions offset by the impact of foreign currency.

The effective tax rate for the nine months ended September 30, 1998 was 42.0%, as compared to 41.3% in 1997.

Year 2000 Issue

The Year 2000 Issue refers to the problem caused by computer programs that have been written to reflect two digit years, with the century being assumed as "19". This practice was widely accepted by the applications development community in the 1960's through the early 1980's, with many of these programs remaining in use today. As a result, programs that are date sensitive may recognize the year "00" as 1900, rather than the year 2000. This may cause programs to fail or cause them to incorrectly report and accumulate data.

IPG and each of its operating subsidiaries are in the process of implementing a Year 2000 readiness program with the goal of having all mission critical systems functioning properly prior to January 1, 2000. Many of our subsidiaries in our larger markets are dependent upon third party systems providers, while our subsidiaries in the secondary markets rely primarily on off-the-shelf applications or home-grown applications. Considerable progress has been made with our third party systems providers in larger markets. Although the secondary markets present a greater challenge, they typically involve smaller offices that are less dependent upon automated solutions.

In 1997 IPG established a Y2K Project Management Office and shortly thereafter created a Y2K Task Force, comprised of representatives from the operating companies. Through the Y2K Task Force, IPG in conjunction with outside consultants, is working to address the impact of the Year 2000 Issue on IPG. IPG is inventorying and assessing date sensitive computer software applications, with initial indications being that approximately 35% of systems will require remediation. In addition, IPG has reviewed a large majority of our hardware containing embedded chips, including personal computers, file servers, mid-range and mainframe computers, telephone switches and routers. We have also reviewed the majority of our security systems, life safety systems, HVAC systems and elevators in our facilities. As part of this effort, IPG has identified those systems and applications that are deemed "mission critical", which we are handling on a priority basis. Utilizing this approach has allowed us to make considerable progress in our larger offices that in aggregate contribute to most of our revenue. We have developed a detailed project and remediation plan that includes system testing schedules and contingency planning that are designed to achieve our goal of having all "mission critical" elements remedied and compliance tested by December 31, 1998. We are currently well into the remediation and testing stage. The Company's Board of Directors, through the Audit Committee, has been monitoring progress of this project. Project progress reports are given to the Audit Committee at each regularly scheduled Audit Committee meeting.

IPG estimates that the modification and testing of our hardware and software will cost approximately $10 million, of which 50% has been spent to date in order to meet the Y2K compliance deadline. In addition, IPG has accelerated the implementation of a number of business process reengineering projects over the past few years that have provided both Year 2000 readiness and increased functionality of certain systems. IPG estimates that the hardware and software costs incurred in connection with these projects is approximately $50 million, which is being capitalized. Included in the abovementioned Y2K costs are internal costs incurred for the Y2K project which are primarily related payroll costs for the information systems groups. A substantial portion of these estimated costs relate to systems and applications that were anticipated and budgeted.

IPG is also in the process of developing contingency plans for affected areas of our operation. The Y2K Project Management Office has drafted a

Contingency Plan Guideline. This guideline requires the development of contingency plans for applications, vendors, facilities, business partners and clients. The contingency plans will cover those "mission critical" elements that are not Year 2000 compliant by December 31,1998. In addition, the contingency plans will include procedures for workforce mobilization, crisis management, disaster recovery and damage control, which are targeted for completion by March of 1999.

The Company is assessing the Year 2000 readiness of material third parties by asking all vendors, business partners and facility managers to provide letters of compliance. In addition, IPG is working with the American Association of Advertising Agencies and other trade associations to form Year 2000 working groups that are addressing the issues on an industry level.

IPG efforts to address the Year 2000 Issue are designed to avoid any material adverse effect on our operations or financial condition. Notwithstanding these efforts, however, there is no assurance that IPG will not encounter difficulties due to the Year 2000 Issue. The "most reasonably likely worst case scenario" would be a significant limitation on our ability to continue to provide business services. IPG also recognizes that it is dependent upon infrastructure services and third parties, including suppliers, broadcasters and business partners, whose failure may also significantly impact our ability to provide business services.

Cautionary Statement

Statements by IPG in this Form 10-Q and in other contexts concerning its Year 2000 compliance efforts that are not historical fact are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated in the forward-looking statements, including, but not limited to, the following: (i) uncertainties relating to the ability of IPG to identify and address Year 2000 issues successfully and in a timely manner and at costs that are reasonably in line with IPG's estimates; and (ii) the ability of IPG's vendors, suppliers, other service providers and customers to identify and address successfully their own Year 2000 issues in a timely manner.

PART II - OTHER INFORMATION

Item 2. CHANGES IN SECURITIES

(1) On July 20, 1998, the Registrant acquired a company in consideration for which it issued a total of 152,760 shares of its common stock par value $.10 per share ("Interpublic Stock"), to the acquired company's former shareholder. The shares of Interpublic Stock had a market value of $9,200,000 on the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in reliance on Rule 506 of

Regulation D under the Securities Act of 1933, as amended (the "Securities Act"), based on the accredited investor status or sophistication of the former shareholder of the acquired company.

(2) On September 17, 1998, the Registrant acquired 80% of a company in consideration for which it issued a total of 16,452 shares of Interpublic Stock, to the acquired company's former shareholders. The shares of Interpublic Stock had a market value of $800,000 on the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in reliance on Rule 506 of Regulation D under the Securities Act, based on the accredited investor status or sophistication of the acquired company's former stockholders.

Item 5. OTHER INFORMATION

The deadline is March 4, 1999 for notification of the Registrant by stockholders of proposals under Rule 14a-4 of the Securities and Exchange Commission.

Item 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) EXHIBITS

Exhibit 10	Executive Severance Agreement, dated January 1, 1998, between The Interpublic Group of Companies, Inc. ("Interpublic") and Frank B. Lowe.
Exhibit 11	Computation of Earnings Per Share.
Exhibit 27	Financial Data Schedule.

(b) Reports on Form 8-K

(1) The following reports on Form 8-K were filed without financial statements during the quarter ended September 30, 1998:

(a) Item 9 - Sale of Equity Securities Pursuant to Regulation S, dated June 24, 1998.

(b) Item 9 - Sale of Equity Securities Pursuant to Regulation S, dated July 23, 1998.

(c) Item 9 - Sale of Equity Securities Pursuant to Regulation S, dated August 5, 1998.

(d) Item 9 - Sale of Equity Securities Pursuant to Regulation S, dated August 24, 1998.

(2) The following reports on Form 8-K were filed with financial statements during the quarter ended September 30, 1998:

(a) Item 5 - Other Events and Item 7 - Financial Statements and Exhibits, dated July 1, 1998. Supplemental Financial Statements of the Registrant At and For the Period Ended December 31, 1997 and Supplemental Financial Statements At and For the Period Ended March 31, 1998.

(b) Item 5 - Other Events and Item 7 - Financial Statements

and Exhibits, dated July 17, 1998. Interim Results For the Six Months Ended April 30, 1998 of a company subsequently acquired by Registrant.

(c) Item 5 - Other Events and Item 7 - Financial Statements and Exhibits, dated July 27, 1998. Financial Statements of the Registrant At and For the Period Ended June 30, 1998.

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 thereunto duly authorized.

THE INTERPUBLIC GROUP OF COMPANIES, INC.
(Registrant)

Date: November 13, 1998 BY /S/ PHILIP H. GEIER, JR.
PHILIP H. GEIER, JR.
Chairman of the Board
President and Chief Executive
Officer

Date: November 13,1998 BY /S/ EUGENE P. BEARD
EUGENE P. BEARD
Vice Chairman -
Finance and Operations

INDEX TO EXHIBITS

EXHIBIT NO.	DESCRIPTION
Exhibit 10	Executive Severance Agreement, dated January 1, 1998, between Interpublic and Frank B. Lowe.
Exhibit 11	Computation of Earnings Per Share.
Exhibit 27	Financial Data Schedule

EXHIBIT 10

EXECUTIVE SEVERANCE AGREEMENT

This AGREEMENT ("Agreement") dated January 1, 1998, by and between The Interpublic Group of Companies, Inc. ("Interpublic"), a Delaware corporation (Interpublic and its subsidiaries being referred to herein collectively as the "Company"), and Frank B. Lowe (the "Executive").

W I T N E S S E T H

WHEREAS, the Company recognizes the valuable services that the Executive has rendered thereto and desires to be assured that the Executive will continue to attend to the business and affairs of the Company without regard to any potential or actual change of control of Interpublic;

WHEREAS, the Executive is willing to continue to serve the Company but desires assurance that he will not be materially disadvantaged by a change of control of Interpublic; and

WHEREAS, the Company is willing to accord such assurance provided that, should the Executive's employment be terminated consequent to a change of control, he will not for a period thereafter engage in certain activities that could be detrimental to the Company;

NOW, THEREFORE, in consideration of the Executive's continued service to the Company and the mutual agreements herein contained, Interpublic and the Executive hereby agree as follows:

ARTICLE I

RIGHT TO PAYMENTS

Section 1.1. TRIGGERING EVENTS. If Interpublic undergoes a Change of Control, the Company shall make payments to the Executive as provided in article II of this Agreement. If, within two years following a Change of Control, either (a) the Company terminates the Executive other than by means of a termination for Cause or for death or (b) the Executive resigns for a Good Reason (either of which events shall constitute a "Qualifying Termination"), the Company shall make payments to the Executive as provided in article III hereof.

Section 1.2. CHANGE OF CONTROL. A Change of Control of Interpublic shall be deemed to have occurred if (a) any person (within the meaning of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the "1934 Act")), other than Interpublic or any of its majority-controlled subsidiaries, becomes the beneficial owner (within the meaning of Rule 13d-3 under the 1934 Act) of 30 percent or more of the combined voting power of Interpublic's then outstanding voting securities; (b) a tender offer or exchange offer (other than an offer by Interpublic or a majority-controlled subsidiary), pursuant to which 30 percent or more of the combined voting power of Interpublic's then outstanding voting securities was purchased, expires; (c) the stockholders of Interpublic approve an agreement to merge or consolidate with another corporation (other than a majority-controlled subsidiary of Interpublic) unless Interpublic's

shareholders immediately before the merger or consolidation are to own more than 70 percent of the combined voting power of the resulting entity's voting securities; (d) Interpublic's stockholders approve an agreement (including, without limitation, a plan of liquidation) to sell or otherwise dispose of all or substantially all of the business or assets of Interpublic; or (e) during any period of two consecutive years, individuals who, at the beginning of such period, constituted the Board of Directors of Interpublic cease for any reason to constitute at least a majority thereof, unless the election or the nomination for election by Interpublic's stockholders of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period. However, no Change of Control shall be deemed to have occurred by reason of any transaction in which the Executive, or a group of persons or entities with which the Executive acts in concert, acquires, directly or indirectly, more than 30 percent of the common stock or the business or assets of Interpublic.

Section 1.3. TERMINATION FOR CAUSE. Interpublic shall have Cause to terminate the Executive for purposes of Section 1.1 of this Agreement only if, following the Change of Control, the Executive (a) engages in conduct that constitutes a felony under the laws of the United States or a state or country in which he works or resides and that results or was intended to result, directly or indirectly, in the personal enrichment of the Executive at the Company's expense; (b) refuses (except by reason of incapacity due to illness or injury) to make a good faith effort to substantially perform his duties with the Company on a full-time basis and continues such refusal for 15 days following receipt of notice from the Company that his effort is deficient; or (c) deliberately and materially breaches any agreement between himself and the Company and fails to remedy that breach within 30 days following notification thereof by the Company. If the Company has Cause to terminate the Executive, it may in fact terminate him for Cause for purposes of section 1.1 hereof if (a) it notifies the Executive of such Cause, (b) it gives him reasonable opportunity to appear before a majority of Interpublic's Board of Directors to respond to the notice of Cause and (c) a majority of the Board of Directors subsequently votes to terminate him.

Section 1.4. RESIGNATION FOR GOOD REASON. The Executive shall have a Good Reason for resigning only if (a) the Company fails to elect the Executive to, or removes him from, any office of the Company, including without limitation membership on any Board of Directors, that the Executive held immediately prior to the Change of Control; (b) the Company reduces the Executive's rate of regular cash and fully vested deferred base compensation ("Regular Compensation") from that which he earned immediately prior to the Change of Control or fails to increase it within 12 months following the Change of Control by (in addition to any increase pursuant to section 2.2 hereof) at least the average of the rates of increase in his Regular Compensation during the four consecutive 12-month periods immediately prior to the Change of Control (or, if fewer, the number of 12-month periods immediately prior to the Change of Control during which the Executive was continuously employed by the Company); (c) the Company fails to provide the Executive with fringe benefits and/or bonus plans, such as stock option, stock purchase, restricted stock, life insurance, health, accident, disability, incentive, bonus, pension and profit sharing plans ("Benefit or Bonus Plans"), that, in the aggregate, (except insofar as the Executive has waived his rights thereunder pursuant to article II hereof) are as valuable to him as those that he enjoyed immediately prior to the Change of Control; (d) the Company fails to provide the Executive with an annual number of paid vacation days at least equal to that to which he was entitled immediately prior to the Change of Control; (e) the Company breaches any agreement between

it and the Executive (including this Agreement); (f) without limitation of the foregoing clause (e), the Company fails to obtain the express assumption of this Agreement by any successor of the Company as provided in section 6.3 hereof; (g) the Company attempts to terminate the Executive for Cause without complying with the provisions of section 1.3 hereof; (h) the Company requires the Executive, without his express written consent, to be based in an office outside of the office in which Executive is based on the date hereof or to travel substantially more extensively than he did prior to the Change of Control; or (i) the Executive determines in good faith that the Company has, without his consent, effected a significant change in his status within, or the nature or scope of his duties or responsibilities with, the Company that obtained immediately prior to the Change of Control (including but not limited to, subjecting the Executive's activities and exercise of authority to greater immediate supervision than existed prior to the Change of Control); provided, however, that no event designated in clauses (a) through (i) of this sentence shall constitute a Good Reason unless the Executive notifies Interpublic that the Company has committed an action or inaction specified in clauses (a) through (i) (a "Covered Action") and the Company does not cure such Covered Action within 30 days after such notice, at which time such Good Reason shall be deemed to have arisen. Notwithstanding the immediately preceding sentence, no action by the Company shall give rise to a Good Reason if it results from the Executive's termination for Cause or death or from the Executive's resignation for other than a Good Reason, and no action by the Company specified in clauses (a) through (i) of the preceding sentence shall give rise to a Good Reason if it results from the Executive's Disability. If the Executive has a Good Reason to resign, he may in fact resign for a Good Reason for purposes of section 1.1 of this Agreement by, within 30 days after the Good Reason arises, giving Interpublic a minimum of 30 and a maximum of 90 days advance notice of the date of his resignation.

Section 1.5. DISABILITY. For all purposes of this Agreement, the term "Disability" shall have the same meaning as that term has in the Interpublic Long-Term Disability Plan.

ARTICLE II

PAYMENTS UPON A CHANGE OF CONTROL

Section 2.1. ELECTIONS BY THE EXECUTIVE. If the Executive so elects prior to a Change of Control, the Company shall pay him, within 30 days following the Change of Control, cash amounts in respect of certain Benefit or Bonus Plans or deferred compensation arrangements designated in sections 2.2 through 2.4 hereof ("Plan Amounts"). The Executive may make an election with respect to the Benefit or Bonus Plans or deferred compensation arrangements covered under any one or more of sections 2.2 through 2.4, but an election with respect to any such section shall apply to all Plan Amounts that are specified therein. Each election shall be made by notice to Interpublic on a form satisfactory to Interpublic and, once made, may be revoked

by such notice on such form at any time prior to a Change of Control. If the Executive elects to receive payments under a section of this article II, he shall, upon receipt of such payments, execute a waiver, on a form satisfactory to Interpublic, of such rights as are indicated in that section. If the Executive does not make an election under this article with respect to a Benefit or Bonus Plan or deferred compensation arrangement, his rights to receive payments in respect thereof shall be governed by the Plan or arrangement itself.

Section 2.2. ESBA. The Plan Amount in respect of all Executive Special Benefit Agreements ("ESBA's") between the Executive and Interpublic shall consist of an amount equal to the present discounted values, using the Discount Rate designated in section 5.8 hereof as of the date of the Change of Control, of all payments that the Executive would have been entitled to receive under the ESBA's if he had terminated employment with the Company on the day immediately prior to the Change of Control. Upon receipt of the Plan Amount in respect of the ESBA's, the Executive shall waive any rights that he may have to payments under the ESBA's. If the Executive makes an election pursuant to, and executes the waiver required under, this section 2.2, his Regular Compensation shall be increased as of the date of the Change of Control at an annual rate equal to the sum of the annual rates of deferred compensation in lieu of which benefits are provided the Executive under any ESBA the Accrual Term for which (as defined in the ESBA) includes the date of the Change of Control.

Section 2.3. MICP. The Plan Amount in respect of the Company's Management Incentive Compensation Plans ("MICP") and/or the 1997 Performance Incentive Plan ("1997 PIP") shall consist of an amount equal to the sum of all amounts awarded to the Executive under, but deferred pursuant to, the MICP and/or the 1997 PIP as of the date of the Change of Control and all amounts equivalent to interest creditable thereon up to the date that the Plan Amount is paid. Upon receipt of that Plan Amount, the Executive shall waive his rights to receive any amounts under the MICP and/or the 1997 PIP that were deferred prior to the Change of Control and any interest equivalents thereon.

Section 2.4. DEFERRED COMPENSATION. The Plan Amount in respect of deferred compensation (other than amounts referred to in other sections of this article II) shall be an amount equal to all compensation from the Company that the Executive has earned and agreed to defer (other than through the Interpublic Savings Plan pursuant to Section 401(k) of the Internal Revenue Code (the "Code")) but has not received as of the date of the Change of Control, together with all amounts equivalent to interest creditable thereon through the date that the Plan Amount is paid. Upon receipt of this Plan Amount, the Executive shall waive his rights to receive any deferred compensation that he earned prior to the date of the Change of Control and any interest equivalents thereon.

Section 2.5. STOCK INCENTIVE PLANS. The effect of a Change of Control on the rights of the Executive with respect to options and restricted shares awarded to him under the Interpublic 1986 Stock Incentive Plan, the 1996 Stock Incentive Plan and the 1997 Performance Incentive Plan, shall be governed by those Plans and not by this Agreement.

ARTICLE III

PAYMENTS UPON QUALIFYING TERMINATION

Section 3.1. BASIC SEVERANCE PAYMENT. In the event that the Executive is subjected to a Qualifying Termination within two years after a Change of Control, the Company shall pay the Executive within 30 days after the effective date of his Qualifying Termination (his "Termination Date") a cash amount equal to his Base Amount times the number designated in Section 5.9 of this Agreement (the "Designated Number"). The Executive's Base Amount shall equal the average of the Executive's Includable Compensation for the two whole calendar years immediately preceding the date of the Change of Control (or, if the Executive was employed by the Company for only one of those years, his Includable Compensation for that year). The Executive's Includable Compensation for a calendar year shall consist of (a) the compensation reported by the Company on the Form W-2 that it filed with the Internal Revenue Service for that year in respect of the Executive or which would have been reported on such form but for the fact that Executive's services were performed outside of the United States, plus (b) any compensation payable to the Executive during that year the receipt of which was deferred at the Executive's election or by employment agreement to a subsequent year, minus (c) any amounts included on the Form W-2 (or which would have been included if Executive had been employed in the United States) that represented either (i) amounts in respect of a stock option or restricted stock plan of the Company or (ii) payments during the year of amounts payable in prior years but deferred at the Executive's election or by employment agreement to a subsequent year. The compensation referred to in clause (b) of the immediately preceding sentence shall include, without limitation, amounts initially payable to the Executive under the MICP or a Long-Term Performance Incentive Plan or the 1997 PIP in that year but deferred to a subsequent year, the amount of deferred compensation for the year in lieu of which benefits are provided the Executive under an ESBA and amounts of Regular Compensation earned by the Executive during the year but deferred to a subsequent year (including amounts deferred under Interpublic Savings Plan pursuant to Section 401(k) of the Code); clause (c) of such sentence shall include, without limitation, all amounts equivalent to interest paid in respect of deferred amounts and all amounts of Regular Compensation paid during the year but earned in a prior year and deferred.

Section 3.2. MICP SUPPLEMENT. The Company shall also pay the Executive within 30 days after his Termination Date a cash amount equal to (a) in the event that the Executive received an award under the MICP (or the Incentive Award program applicable outside the United States) or the 1997 PIP ("Incentive Award") in respect of the year immediately prior to the year that includes the Termination Date (the latter year constituting the "Termination Year"), the amount of that award multiplied by the fraction of the Termination Year preceding the Termination Date or (b) in the event that the Executive did not receive an MICP award (or an Incentive Award) in respect of the year immediately prior to the Termination Year, the amount of the MICP award (or Incentive Award) that Executive received in respect of the second year immediately prior to the Termination Year multiplied by one plus the fraction of the Termination Year preceding the Termination Date.

ARTICLE IV

TAX MATTERS

Section 4.1. WITHHOLDING. The Company may withhold from any amounts payable to the Executive hereunder all federal, state, city or other taxes that the Company may reasonably determine are required to be withheld pursuant to any applicable

law or regulation, but, if the Executive has made the election provided in section 4.2 hereof, the Company shall not withhold amounts in respect of the excise tax imposed by Section 4999 of the Code or its successor.

Section 4.2. DISCLAIMER. If the Executive so agrees prior to a Change of Control by notice to the Company in form satisfactory to the Company, the amounts payable to the Executive under this Agreement but not yet paid thereto shall be reduced to the largest amounts in the aggregate that the Executive could receive, in conjunction with any other payments received or to be received by him from any source, without any part of such amounts being subject to the excise tax imposed by Section 4999 of the Code or its successor. The amount of such reductions and their allocation among amounts otherwise payable to the Executive shall be determined either by the Company or by the Executive in consultation with counsel chosen (and compensated) by him, whichever is designated by the Executive in the aforesaid notice to the Company (the "Determining Party"). If, subsequent to the payment to the Executive of amounts reduced pursuant to this section 4.2, the Determining Party should reasonably determine, or the Internal Revenue Service should assert against the party other than the Determining Party, that the amount of such reductions was insufficient to avoid the excise tax under Section 4999 (or the denial of a deduction under Section 280G of the Code or its successor), the amount by which such reductions were insufficient shall, upon notice to the other party, be deemed a loan from the Company to the Executive that the Executive shall repay to the Company within one year of such reasonable determination or assertion, together with interest thereon at the applicable federal rate provided in section 7872 of the Code or its successor. However, such amount shall not be deemed a loan if and to the extent that repayment thereof would not eliminate the Executive's liability for any Section 4999 excise tax.

ARTICLE V

COLLATERAL MATTERS

Section 5.1. NATURE OF PAYMENTS. All payments to the Executive under this Agreement shall be considered either payments in consideration of his continued service to the Company, severance payments in consideration of his past services thereto or payments in consideration of the covenant contained in section 5.10 hereof. No payment hereunder shall be regarded as a penalty to the Company.

Section 5.2. LEGAL EXPENSES. The Company shall pay all legal fees and expenses that the Executive may incur as a result of the Company's contesting the validity, the enforceability or the Executive's interpretation of, or determinations under, this Agreement. Without limitation of the foregoing, Interpublic shall, prior to the earlier of (a) 30 days after notice from the Executive to Interpublic so requesting or (b) the occurrence of a Change of Control, provide the Executive

with an irrevocable letter of credit in the amount of $100,000 from a bank satisfactory to the Executive against which the Executive may draw to pay legal fees and expenses in connection with any attempt to enforce any of his rights under this Agreement. Said letter of credit shall not expire before 10 years following the date of this Agreement.

Section 5.3. MITIGATION. The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement either by seeking other employment or otherwise. The amount of any payment provided for herein shall not be reduced by any remuneration that the Executive may earn from employment with another employer or otherwise following his Termination Date.

Section 5.4. SETOFF FOR DEBTS. The Company may reduce the amount of any payment due the Executive under article III of this Agreement by the amount of any debt owed by the Executive to the Company that is embodied in a written instrument, that is due to be repaid as of the due date of the payment under this Agreement and that the Company has not already recovered by setoff or otherwise.

Section 5.5. COORDINATION WITH EMPLOYMENT CONTRACT. Payments to the Executive under article III of this Agreement shall be in lieu of any payments for breach of any employment contract between the Executive and the Company to which the Executive may be entitled by reason of a Qualifying Termination, and, before making the payments to the Executive provided under article III hereof, the Company may require the Executive to execute a waiver of any rights that he may have to recover payments in respect of a breach of such contract as a result of a Qualifying Termination. If the Executive has a Good Reason to resign and does so by providing the notice specified in the last sentence of section 1.4 of this Agreement, he shall be deemed to have satisfied any notice requirement for resignation, and any service requirement following such notice, under any employment contract between the Executive and the Company.

Section 5.6. BENEFIT OF BONUS PLANS. Except as otherwise provided in this Agreement or required by law, the Company shall not be compelled to include the Executive in any of its Benefit or Bonus Plans following the Executive's Termination Date, and the Company may require the Executive, as a condition to receiving the payments provided under article III hereof, to execute a waiver of any such rights. However, said waiver shall not affect any rights that the Executive may have in respect of his participation in any Benefit or Bonus Plan prior to his Termination Date.

Section 5.7. FUNDING. Except as provided in section 5.2 of this Agreement, the Company shall not be required to set aside any amounts that may be necessary to satisfy its obligations hereunder. The Company's potential obligations to make payments to the Executive under this Agreement are solely contractual ones, and the Executive shall have no rights in respect of such payments except as a general and unsecured creditor of the Company.

Section 5.8. DISCOUNT RATE. For purposes of this Agreement, the term "Discount Rate" shall mean the applicable Federal short-term rate determined under Section 1274(d) of the Code or its successor. If such rate is no longer determined, the Discount Rate shall be the yield on 2-year Treasury notes for the most recent period reported in the most recent issue of the Federal Reserve Bulletin or its successor, or, if such rate is no longer reported therein, such measure of the yield on 2-year Treasury notes as the Company may reasonably determine.

Section 5.9. DESIGNATED NUMBER. For purposes of this Agreement, the Designated Number shall be three (3.0).

Section 5.10. COVENANT OF EXECUTIVE. In the event that the Executive undergoes a Qualifying Termination that entitles him to any payment under article III of this Agreement, he shall not, for 18 months following his Termination Date, either (a) solicit any employee of Interpublic or a majority-controlled subsidiary thereof to leave such employ and enter into the employ of the Executive or any person or entity with which the Executive is associated or (b) solicit or handle on his own behalf or on behalf of any person or entity with which he is associated the advertising, public relations, sales promotion or market research business of any advertiser that is a client of Interpublic or a majority-controlled subsidiary thereof as of the Termination Date. Without limitation of any other remedies that the Company may pursue, the Company may enforce its rights under this section 5.10 by means of injunction. This section shall not limit any other right or remedy that the Company may have under applicable law or any other agreement between the Company and the Executive.

ARTICLE VI

GENERAL PROVISIONS

Section 6.1. TERM OF AGREEMENT. This Agreement shall terminate upon the earliest of (a) the expiration of five years from the date of this Agreement if no Change of Control has occurred during that period; (b) the termination of the Executive's employment with the Company for any reason prior to a Change of Control; (c) the Company's termination of the Executive's employment for Cause or death, the Executive's compulsory retirement within the provisions of 29 U.S.C. 631(c) (or, if Executive is not a citizen or resident of the United States, compulsory retirement under any applicable procedure of the Company in effect immediately prior to the change of control) or the Executive's resignation for other than Good Reason, following a Change of Control and the Company's and the Executive's fulfillment of all of their obligations under this Agreement; and (d) the expiration following a Change of Control of the Designated Number plus three years and the fulfillment by the Company and the Executive of all of their obligations hereunder.

Section 6.2. GOVERNING LAW. Except as otherwise expressly provided herein, this Agreement and the rights and obligations hereunder shall be construed and enforced in accordance with the laws of the State of New York.

Section 6.3. SUCCESSORS TO THE COMPANY. This Agreement shall inure to the benefit of Interpublic and its subsidiaries and shall be binding upon and enforceable by Interpublic and any successor thereto, including, without limitation, any corporation or corporations acquiring directly or indirectly all or substantially all of the business or assets of Interpublic whether by merger, consolidation, sale or otherwise, but shall not otherwise be assignable by Interpublic. Without limitation of the foregoing sentence, Interpublic shall require any successor (whether direct or indirect, by merger,

consolidation, sale or otherwise) to all or substantially all of the business or assets of Interpublic, by agreement in form satisfactory to the Executive, expressly, absolutely and unconditionally to assume and agree to perform this Agreement in the same manner and to the same extent as Interpublic would have been required to perform it if no such succession had taken place. As used in this agreement, "Interpublic" shall mean Interpublic as heretofore defined and any successor to all or substantially all of its business or assets that executes and delivers the agreement provided for in this section 6.3 or that becomes bound by this Agreement either pursuant to this Agreement or by operation of law.

Section 6.4. SUCCESSOR TO THE EXECUTIVE. This Agreement shall inure to the benefit of and shall be binding upon and enforceable by the Executive and his personal and legal representatives, executors, administrators, heirs, distributees, legatees and, subject to section 6.5 hereof, his designees ("Successors"). If the Executive should die while amounts are or may be payable to him under this Agreement, references hereunder to the "Executive" shall, where appropriate, be deemed to refer to his Successors.

Section 6.5. NONALIENABILITY. No right of or amount payable to the Executive under this Agreement shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, hypothecation, encumbrance, charge, execution, attachment, levy or similar process or (except as provided in section 5.4 hereof) to setoff against any obligation or to assignment by operation of law. Any attempt, voluntary or involuntary, to effect any action specified in the immediately preceding sentence shall be void. However, this section 6.5 shall not prohibit the Executive from designating one or more persons, on a form satisfactory to the Company, to receive amounts payable to him under this Agreement in the event that he should die before receiving them.

Section 6.6. NOTICES. All notices provided for in this Agreement shall be in writing. Notices to Interpublic shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to The Interpublic Group of Companies, Inc., l27l Avenue of the Americas, New York, New York l0020, attention: Corporate Secretary. Notices to the Executive shall be deemed given when personally delivered or sent by certified or registered mail or overnight delivery service to the last address for the Executive shown on the records of the Company. Either Interpublic or the Executive may, by notice to the other, designate an address other than the foregoing for the receipt of subsequent notices.

Section 6.7. AMENDMENT. No amendment of this Agreement shall be effective unless in writing and signed by both the Company and the Executive.

Section 6.8. WAIVERS. No waiver of any provision of this Agreement shall be valid unless approved in writing by the party giving such waiver. No waiver of a breach under any provision of this Agreement shall be deemed to be a waiver of such provision or any other provision of this Agreement or any subsequent breach. No failure on the part of either the Company or the Executive to exercise, and no delay in exercising, any right or remedy conferred by law or this Agreement shall operate as a waiver of such right or remedy, and no exercise or waiver, in whole or in part, of any right or remedy conferred by law or

herein shall operate as a waiver of any other right or remedy.

Section 6.9. SEVERABILITY. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part, such invalidity or unenforceability shall not affect any other provision of this Agreement or part thereof, each of which shall remain in full force and effect.

Section 6.10. CAPTIONS. The captions to the respective articles and sections of this Agreement are intended for convenience of reference only and have no substantive significance.

Section 6.11. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute a single instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

BY/ S/ C. KENT KROEBER
C. KENT KROEBER

BY/ S/ FRANK B. LOWE
FRANK B. LOWE

Exhibit 11THE
INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIESCOMPUTATION OF EARNINGS PER SHARE (Dollars in Thousands Except Per Share Data)

Basic	Three Months Ended September 30 1998	1997 <F1>
Net income	$ 45,162	$ 31,083
Weighted average number of common shares outstanding	132,792,504	127,078,261
Earnings per common share	$ .34	$ .24

Diluted	Three Months Ended September 30 1998	1997 <F1>
Net income	$ 45,162	$ 31,083
Add:		
Dividends paid net of related income tax applicable to restricted stock	129	125
Net income, as adjusted	$ 45,291	$ 31,208
Weighted average number of common shares outstanding	132,792,504	127,078,261
Weighted average number of incremental shares in connection with restricted stock and assumed exercise of stock options	4,774,537	5,103,420
Total	137,567,041	132,181,681
Earnings per common and common equivalent share	$ .33	$ .24

Note: The computation of diluted EPS for 1998 and 1997 excludes the assumed conversion of the Convertible Subordinated Debentures and Notes because they were anti-dilutive.

<F1> Restated to reflect the aggregate effect of acquisitions accounted for as poolings of interests. See Note (c).

Exhibit 11
THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
COMPUTATION OF EARNINGS PER SHARE
(Dollars in Thousands Except Per Share Data)

Basic	Nine Months Ended September 30 1998	1997 <F1>
Net income	$ 197,355	$ 153,734
Weighted average number of common shares outstanding	132,704,118	126,991,427
Earnings per common share	$ 1.49	$ 1.21

Diluted	Nine Months Ended September 30 1998	1997 <F1>
Net income	$ 197,355	$ 153,734

Add:		
After tax interest savings on assumed conversion of subordinated debentures and notes	-	5,192
Dividends paid net of related income tax applicable to restricted stock	405	331
Net income, as adjusted	$ 197,760	$ 159,257
Weighted average number of common shares outstanding	132,704,118	126,991,427
Weighted average number of incremental shares in connection with restricted stock and assumed exercise of stock options	5,076,151	4,486,147
Assumed conversion of subordinated debentures and notes	3,547	4,807,874
Total	137,783,816	136,285,448
Earnings per common and common equivalent share	$ 1.44	$ 1.17

Note: The computation of diluted EPS for 1998 excludes the assumed conversion of the 1.8% Convertible Subordinated Notes because they were anti-dilutive.

<F1> Restated to reflect the aggregate effect of acquisitions accounted for as poolings of interests. See Note (c).

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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 TO FINANCIAL STATEMENTS. THE EPS PRIMARY NUMBER BELOW REFLECTS THE BASIC EARNINGS PER SHARE AS REQUIRED BY FINANCIAL ACCOUNTING STANDARDS NUMBER 128.
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