SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A

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

For the fiscal year ended December 31, 1996	Commission file number 1-6686

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

Delaware (State or other jurisdiction of incorporation or organization)	13-1024020 (I.R.S. Employer Identification No.)
1271 Avenue of the Americas New York, New York (Address of principal executive offices)	10020 (Zip Code)

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

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

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

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X . No___.

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

The aggregate market value of the registrant's voting stock (exclusive of shares beneficially owned by persons referred to in response to Item 12 hereof) was $4,248,362,576 as of March 24, 1997.

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

Common Stock outstanding at March 24, 1997: 81,512,748 shares.
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Item 8 of Part II of the Company's Form 10-K for the fiscal year ended December 31, 1996, Item 14 of Part IV thereof, and Exhibit 13 are hereby amended solely for the purpose of amending the last paragraph of Note 3 to the Company's Consolidated Financial Statements. The full text of Exhibit 13 is annexed to this Amended Report.

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SIGNATURE PAGE

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

THE INTERPUBLIC GROUP OF COMPANIES, INC.
(Registrant)

May 20, 1997 BY: Nicholas J. Camera

Nicholas J. Camera
Vice President,
General Counsel and
Secretary

EXHIBIT 13

THE INTERPUBLIC GROUP OF COMPANIES, INC.

The Interpublic Group of Companies is one of the largest organizations of advertising agencies and communications companies in the world. It includes the parent company, The Interpublic Group of Companies, Inc., McCann-Erickson Worldwide, Ammirati Puris Lintas, The Lowe Group, Western International Media, DraftDirect Worldwide and the Allied Communications Group. The Interpublic Group employs more than 21,000 people and maintains offices in over 110 countries.

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FINANCIAL HIGHLIGHTS

(Dollars in Thousands Except Per Share Data)

	1996	1995	Percent Increase
Operating Data			
Gross income	$ 2,537,516	$ 2,179,739	16.4%
Net Income	205,205	129,812	58.1
Per Share Data			
Net Income	2.56	1.66	54.2
Cash dividends	$ .665	$ .605	9.9
Weighted average number of shares	80,293,178	78,180,072	2.7
Financial Position			
Working capital	$ 154,430	$ 147,701	4.6
Total assets	4,765,130	4,259,766	11.9
Stockholders'equity per share	$ 10.73	9.42	13.9
Return on stockholders' average equity	25.8%	18.4%	40.2%

Gross Income

1996	$2,537,516		
1995	$2,179,739	1993	$1,793,856
1994	$1,984,255	1992	$1,855,971

Earnings Per Share

1996	$ 2.56/2.46		
1995	$ 2.15/1.66	1993	$ 1.67/1.66
1994	$ 1.87/1.53/1.24	1992	$ 1.50/1.17

Cash Dividends Per Share

1996	$ .665		
1995	$ .605	1993	$ .49
1994	$ .545	1992	$ .45

Return On Average Stockholders' Equity

1996	25.8%/25.0%		
1995	23.5%/18.4%	1993	23.3/23.2%
1994	22.6%/18.6/15.5%	1992	19.1/15.4%

Includes an after-tax gain of approximately $8.1 million or $.10 per share resulting from the sale of a portion of the Company's shares in CKS Group, Inc.

Includes an after-tax charge of $38.2 million or $.49 per share for the write-down of goodwill and related assets.

Includes an after-tax charge of $25.7 million or $.34 per share for restructuring and an after-tax charge of $21,780,000 or $.29 per share for the cumulative effect of accounting change, FAS 112, "Employers' Accounting for Postemployment Benefits".

Includes a charge of $512,000 or $.01 per share for the cumulative effect of accounting change, FAS 109, "Accounting for Income Taxes."

Includes an after-tax charge of $24,640,000 or $.33 per share for cumulative effect of accounting change, FAS 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions".

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

Liquidity and Capital Resources

Working capital increased by $6.7 million and $67.6 million in 1996 and 1995, respectively, and decreased $87.0 million in 1994. The increase in working capital in 1996 and 1995 primarily resulted from the growth in the Company's business, and the long-term refinancing of short-term debt. The decline in working capital in 1994 was primarily due to acquisitions. The ratio of current assets to current liabilities was approximately 1.1 to 1 in 1996 and 1995, and approximately 1.0 to 1 in 1994.

The Company's principal source of working capital during the three years has been from operations. The Company's solid financial position provides flexibility in obtaining short- and long-term financing on competitive terms.

The Company and its domestic subsidiaries had credit lines aggregating $199.6 million in 1996 and in 1995 and $203.6 million in 1994. At December 31, 1996, $15.2 million of these credit lines were utilized compared with utilization of $36.2 million in 1995, and $11.5 million in 1994. Subsidiaries outside the United States had credit lines totaling $215.2 million in 1996, $229.1 million in 1995, and $243.4 million in 1994. At December 31, 1996, $86.6 million of these credit lines were utilized compared with utilization of $73.5 million in 1995, and $86.5 million in 1994.

Approximately 53%, 56% and 59% of the Company's assets at December 31, 1996, 1995 and 1994, respectively, were outside the United States. Working

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capital was not significantly affected by the fluctuation of foreign exchange rates during 1996, 1995 and 1994, but the continuation of this trend is dependent upon the future movement of the dollar in relation to foreign currencies.

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

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

During 1996, the Company acquired 1,926,872 shares ($86.9 million) of its own common stock for purposes of fulfilling its obligations under various compensation plans. The Company acquired 1,910,555 shares ($69.7 million) in 1995 and 1,264,761 shares ($44.5 million) in 1994 which were used for similar purposes.

Quarterly dividends paid to shareholders increased to $51.8 million (17.0 cents per share) in 1996 from $46.1 million (15.5 cents per share) in 1995 and $40.4 million (14.0 cents per share) in 1994.

The Company's capital expenditures in 1996 were $79.1 million, an increase of 14% from 1995. Capital expenditures for 1995 were $69.6 million, an increase of 25% from 1994. The primary purpose of expenditures has been to modernize the offices and upgrade the computer and communications systems to better serve clients.

During 1996, 1995 and 1994, the Company acquired several advertising agencies and related companies with cash and shares of the Company's common stock. Some of these acquisitions provide for deferred payments which are contingent upon future revenues or profits of the companies acquired.

Return on stockholders' average equity was 25.8%, 18.4% and 15.5% in 1996, 1995 and 1994, respectively. The return on stockholders' average equity in 1995 excluding the effect of the write-down of goodwill and other related assets was 23.5%. Excluding the effect of FAS 112, "Employer's Accounting for Postemployment Benefits" and restructuring charges, return on stockholders' average equity was 18.6% in 1994.

Results of Operations

Worldwide income from commissions and fees increased 16.1% in 1996, 9.3% in 1995 and 10.2% in 1994. The increase in 1996 was mainly due to the continued expansion of the business through strategic acquisitions and investments (See Note 3), in addition to net new business gains. The increases in 1995 and 1994 were also primarily attributable to acquisitions coupled with net new business gains. International revenue increased $89.7 million in 1996 to $1,429 million (59% of worldwide revenue), $136.4 million in 1995 to $1,339 million (64% of worldwide revenue)and $45.3 million in 1994 to $1,203 million (63% of worldwide revenue). Commissions and fees from domestic operations increased 32.7% in 1996, 5.8% in 1995 and

22.6% in 1994. These increases were largely attributable to acquisitions and net new business gains.

Other income increased 24.6% in 1996, 26.6% in 1995 and 25.5% in 1994. The increases in 1996 and 1995 were primarily due to the proceeds from the sale of assets, including CKS and Spotlink in 1996 and Fremantle in 1995. The 1994 increase is primarily due to interest income from international operations.

Total costs and expenses worldwide increased 13%, 8% and 14% in 1996, 1995 and 1994, respectively. Costs and expenses outside the United States increased 5% in 1996, 9% in 1995 and 7% in 1994. Domestic costs increased 29% in 1996, 6% in 1995 and 29% in 1994. A significant portion of the Company's expenses relate to employee compensation and various employee incentive and benefit programs which are based primarily upon operating results. Cost increases for both domestic and international are generally in line with increases in revenue. The increase in 1994 primarily resulted from the restructuring charges.
The Company recorded restructuring charges of approximately $48.7 million in the fourth quarter of 1994. The net effect of such charges on net income in 1994 was $25.7 million or $.34 per share. These restructuring charges, which were of a one-time nature, related principally to terminations and office consolidations resulting from the merger of the Lintas New York and Ammirati & Puris agencies and various other international offices. These charges have permitted the Company to operate effectively and efficiently in serving its growing list of clients and to concentrate its resources on creative talent and client service.

Restructuring charges included severance costs of $38.3 million for involuntary terminations of approximately 600 employees. The Company realized a reduction of $16.9 million in salary costs in 1995 from these terminations. As a direct result of the Lintas New York and Ammirati & Puris merger, the Company sold its Fahlgren Martin and GS&B operations, incurring charges of $6.7 million. Other costs related to the consolidation of the Lintas New York and Ammirati & Puris agencies amounted to $3.7 million.

At December 31, 1994, the liability related to these restructuring charges amounted to $29.6 million, which consisted of $27.6 million for severance and $2.0 million for the consolidation of facilities. The amount of cash payments made during 1995 was approximately $27.8 million. At December 31, 1995, the Company's liability related to these restructuring charges totaled $1.3 million for severance which was paid in 1996.

Interest expense increased 7.2%, 15.5% and 24.5% in 1996, 1995 and 1994, respectively. The increases are primarily attributable to additional borrowings.

Equity in net income of unconsolidated affiliates increased in 1996, 1995 and 1994. The 1996 and 1995 increases were primarily due to the Company's investment in Campbell Mithun Esty. The increase in 1994 primarily resulted from the Company's investment in All American Communications Inc.

Income applicable to minority interests increased in 1996 and 1995 after a decrease in 1994. The increases in 1996 and 1995 were primarily attributable to acquisitions. The decrease in 1994 was attributable to the sale of Fremantle and the purchase of the remaining interest in McCann Hakuhodo, Inc. in the latter part of 1993.

In 1995, the Company wrote down goodwill and other related assets and recorded a charge of $38.2 million or $.49 per share. On January 1, 1994, the Company adopted FAS 112, "Employers' Accounting for Postemployment Benefits", and recorded a net charge of $21.8 million or $.29 per share. The Company's effective income tax rates were 42.0% in 1996, 48.3% in 1995 and 43.0% in 1994. The higher rate in 1995 was primarily attributable to the impact of the write-down of goodwill and other related assets of $38.2 million.

FINANCIAL STATEMENTS
THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
DECEMBER 31

(Dollars in Thousands Except Per Share Data)

ASSETS	1996	1995
Current Assets:		
Cash and cash equivalents (includes certificates of deposit: 1996-$83,680; 1995-$114,182)	$ 468,526	$ 418,448
Marketable securities, at cost which approximates market	35,408	38,926
Receivables (net of allowance for doubtful accounts: 1996-$33,301; 1995-$21,941)	2,646,259	2,320,248
Expenditures billable to clients	130,185	108,165
Prepaid expenses and other current assets	73,081	88,611
Total current assets	3,353,459	2,974,398
Other Assets:		
Investment in unconsolidated affiliates	102,711	119,473
Deferred taxes on income	79,371	103,497
Other investments and miscellaneous assets	173,308	144,963
Total other assets	355,390	367,933
Fixed Assets, at cost:		
Land and buildings	82,332	76,813
Furniture and equipment	413,029	360,653
	495,361	437,466
Less: accumulated depreciation	276,448	240,274
	218,913	197,192
Unamortized leasehold improvements	88,045	82,075
Total fixed assets	306,958	279,267
Intangible Assets (net of accumulated amortization: 1996-$186,189; 1995-$157,673)	749,323	638,168
Total Assets	$4,765,130	$4,259,766

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FINANCIAL STATEMENTS
INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
DECEMBER 31
(Dollars in Thousands Except Per Share Data)

LIABILITIES AND STOCKHOLDERS' EQUITY	1996	1995
Current Liabilities:		
Payable to banks	$ 121,655	$ 162,524
Accounts payable	2,626,695	2,291,208
Accrued expenses	317,157	256,408
Accrued income taxes	133,522	116,557
Total current liabilities	3,199,029	2,826,697
Noncurrent Liabilities:		
Long-term debt	231,760	170,262
Convertible subordinated debentures	115,192	113,235
Deferred compensation and reserve for termination allowances	210,670	235,325
Accrued postretirement benefits	46,726	46,461
Other noncurrent liabilities	66,457	102,909
Minority interests in consolidated subsidiaries	23,281	15,171
Total noncurrent liabilities	694,086	683,363
Stockholders' Equity:		
Preferred Stock, no par value shares authorized: 20,000,000 shares issued: none		
Common Stock, $.10 par value shares authorized: 150,000,000 shares issued: 1996 - 90,940,361; 1995 - 89,630,568	9,094	8,963
Additional paid-in capital	465,945	446,931
Retained earnings	859,660	704,946
Adjustment for minimum pension liability	(12,979)	(9,088)
Cumulative translation adjustment	(82,978)	(93,436)
	1,238,742	1,058,316
Less:		
Treasury stock, at cost: 1996 - 9,808,095 shares; 1995 - 10,002,567 shares	319,377	268,946
Unamortized expense of restricted stock grants	47,350	39,664
Total stockholders' equity	872,015	749,706
Commitments and Contingencies (see Note 15)		
Total Liabilities and Stockholders' Equity	$4,765,130	$4,259,766

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FINANCIAL STATEMENTS
THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF INCOME
YEAR ENDED DECEMBER 31
(Dollars in Thousands Except Per Share Data)

	1996	1995	1994
Income:			
Commissions and fees	$2,430,508	$2,093,832	$1,916,376
Other income	107,008	85,907	67,879
Gross income	2,537,516	2,179,739	1,984,255
Costs and Expenses:			
Salaries and related expenses	1,344,238	1,149,964	1,040,579
Office and general expenses	795,367	699,423	661,238
Interest expense	40,765	38,020	32,924
Write-down of goodwill and other related assets	-	38,177	-
Restructuring charges	-	-	48,715
Total costs and expenses	2,180,370	1,925,584	1,783,456
Income before provision for income taxes and effect of accounting change	357,146	254,155	200,799
Provision for Income Taxes:	150,003	122,743	86,333
Income of consolidated companies	207,143	131,412	114,466
Income applicable to minority interests	(14,382)	(7,686)	(3,262)
Equity in net income of unconsolidated affiliates	12,444	6,086	4,043
Income before effect of accounting change	205,205	129,812	115,247
Effect of accounting change: Postemployment benefits	-	-	(21,780)
Net Income	$ 205,205	$ 129,812	$ 93,467
Per Share Data:			
Income before effect of accounting changes	$ 2.56	$ 1.66	$ 1.53
Effect of accounting change: Postemployment benefits	-	-	(.29)
Net Income	$ 2.56	$ 1.66	$ 1.24

FINANCIAL STATEMENTS
THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31
(Dollars in Thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:	1996	1995	1994
Net Income	$205,205	$129,812	$ 93,467
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization of fixed assets	60,457	49,967	45,565
Amortization of intangible assets	28,516	27,628	18,335
Amortization of restricted stock awards	14,451	13,558	11,694
Provision for deferred income taxes	4,072	(18,535)	(16,609)
Equity in net income of unconsolidated affiliates	(12,444)	(6,086)	(4,043)
Income applicable to minority interests	14,382	7,686	3,262
Translation losses	3,484	4,071	13,962
Effect of accounting change	-	-	21,780
Restructuring charges, non-cash	-	-	14,001
Write-down of goodwill and other related assets	-	38,177	-
Sale of investments	(35,043)	-	-
Other	(6,513)	(9,526)	(8,272)
Change in assets and liabilities, net of acquisitions			
Receivables	(243,701)	(243,109)	(114,077)
Expenditures billable to clients	(12,720)	(2,107)	(2,120)
Prepaid expenses and other assets	(36,496)	(30,008)	3,207
Accounts payable and accrued expenses	263,859	182,580	192,600
Accrued income taxes	22,538	11,633	3,233
Deferred compensation and reserve for termination allowances	(21,021)	8,638	9,293
Net cash provided by operating activities	249,026	164,379	285,278
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisitions	(51,348)	(64,224)	(54,926)
Capital expenditures	(79,081)	(69,562)	(55,925)
Proceeds from sales of assets	39,398	1,722	34,057PAGE

Net proceeds from (net purchase of) sales of marketable securities	1,037	(8,524)	5,161
Investment in unconsolidated affiliates	17,210	(14,044)	-
Net cash used in investing activities	(72,784)	(154,632)	(71,633)
CASH FLOWS FROM FINANCING ACTIVITIES:			
(Decrease) increase in short-term borrowings	(25,178)	17,565	(44,007)
Proceeds from long-term debt	75,514	67,858	33,026
Payments of long-term debt	(51,581)	(14,682)	(24,528)
Treasury stock acquired	(86,949)	(69,720)	(44,520)
Issuance of common stock	19,588	31,206	12,977
Cash dividends	(51,786)	(46,124)	(40,360)
Net cash used in financing activities	(120,392)	(13,897)	(107,412)
Effect of exchange rates on cash and cash equivalents	(5,772)	8,889	15,208
Increase in cash and cash equivalents	50,078	4,739	121,441
Cash and cash equivalents at beginning of year	418,448	413,709	292,268
Cash and cash equivalents at end of year	$468,526	$418,448	$413,709

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FINANCIAL STATEMENTS
THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
For The Three-Year Period Ended December 31, 1996
(Dollars in Thousands)

	Common Stock	Additional Paid-In Capital	Retained Earnings	Minimum Pension Liability	Cumulative Translation Adjustment	Treasury Stock	Unamortized Expense of Restricted Stock Grants
Balances, December 31, 1995	$8,963	$446,931	$704,946	$(9,088)	$(93,436)	$268,946	$ 39,664
Net income			205,205				
Cash dividends			(51,786)				
Foreign currency translation adjustment					10,458		
Awards of common stock under Company plans:							
Management Incentive Compensation Plan		172					
Achievement Stock Award Plan		159				(103)	
1986 Stock Incentive Plan - Restricted Stock	50	22,831					23,247
Employee Stock Purchase Plan	19	7,273					
Exercise of stock options	61	12,738					
Purchase of Company's own stock						86,949	
Tax benefit relating to exercise of stock options		4,381					
Restricted Stock: Forfeitures	(1)					1,244	(1,110)
Amortization							(14,451)
Issuance of shares for acquisitions and pooling of interests		(29,463)	1,295			(37,659)	
Conversion of Convertible Debt	2	923					
Adjustment for minimum pension liability				(3,891)			
Balances, December 31, 1996	$9,094	$465,945	$859,660	$(12,979)	$(82,978)	$319,377	$ 47,350

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FINANCIAL STATEMENTS
THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
For The Three-Year Period Ended December 31, 1996
(Dollars in Thousands)

	Common Stock	Additional Paid-In Capital	Retained Earnings	Minimum Pension Liability	Cumulative Translation Adjustment	Treasury Stock	Unamortized Expense of Restricted Stock Grants
Balances, December 31, 1994	$8,771	$383,678	$619,627	$(6,422)	$ (97,587)	$222,698	$35,942
Net income			129,812				
Cash dividends			(46,124)				
Foreign currency translation adjustment					4,151		
Awards of common stock under Company plans:							
Achievement Stock Award Plan		167				(98)	
1986 Stock Incentive Plan - Restricted Stock	50	18,256					18,306
Employee Stock Purchase Plan	15	5,073					
Exercise of stock options	127	28,849					
Purchase of Company's own stock						75,229	
Tax benefit relating to exercise of stock options		5,809					
Restricted Stock: Forfeitures						1,608	(1,026)
Amortization							(13,558)
Issuance of shares for acquisitions and pooling of interests		5,099	1,631			(30,491)	
Adjustment for minimum pension liability				(2,666)			
Balances, December 31, 1995	$8,963	$446,931	$704,946	$(9,088)	$(93,436)	$268,946	$39,664

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FINANCIAL STATEMENTS
THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE THREE-YEAR PERIOD ENDED DECEMBER 31, 1996
(Dollars in Thousands)

	Common Stock	Additional Paid-In Capital	Minimum Retained Earnings	Cumulative Pension Liability	Translation Adjustment	Treasury Stock	Unamortized Expense of Restricted Stock Grants
Balances, December 31, 1993	$8,630	$335,340	$570,267	$ (704)	$(116,432)	$208,821	$24,265
Net income before effect of accounting change			115,247				
Effect of accounting change			(21,780)				
Cash dividends			(40,360)				
Foreign currency translation adjustment					18,845		
Awards of common stock under Company plans:							
Achievement Stock Award Plan		209				(119)	
1986 Stock Incentive Plan - Restricted Stock	63	23,386				(1,749)	25,087
Employee Stock Purchase Plan	15	3,910					
Exercise of stock options	63	8,988					
Purchase of Company's own stock						44,520	
Tax benefit relating to exercise of stock options		2,923					
Restricted Stock: Forfeitures						2,283	(1,716)
Amortization							(11,694)
Issuance of shares for acquisitions and pooling of interests		8,922	(3,747)			(31,058)	
Adjustment for minimum pension liability				(5,718)			
Balances, December 31, 1994	$8,771	$383,678	$619,627	$ (6,422)	$ (97,587)	$222,698	$35,942

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations: The Company is a worldwide provider of advertising agency and related services. The business is conducted through three worldwide advertising agency systems, (McCann-Erickson Worldwide, Ammirati Puris Lintas, and The Lowe Group) as well as other related services through Western International Media and DraftDirect Worldwide. Interpublic also has arrangements through association with local agencies in various parts of the world. Other activities conducted by the Company within the area of "marketing communications" include market research, sales promotion, product development, direct marketing, telemarketing and other related services.

Principles of Consolidation: The consolidated financial statements include the accounts of the Company and its subsidiaries, most of which are wholly owned. The Company's investment in unconsolidated affiliates is carried on the equity basis.

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

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

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

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

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

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

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

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

Earnings per Common and Common Equivalent Share: Earnings per share are based on the weighted average number of common shares outstanding during each year and, if dilutive, common equivalent shares applicable to grants under the stock incentive and stock option plans, and assumed conversion of Convertible Subordinated Debentures.

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

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

NOTE 2: STOCKHOLDERS' EQUITY
In May 1995, the Company's certificate of incorporation was amended to increase the number of authorized shares of common stock from 100,000,000 to 150,000,000.

The Company has a Preferred Share Rights Plan designed to deter coercive takeover tactics. Pursuant to this plan, common stockholders are entitled to purchase 1/100 of a share of preferred stock at an exercise price of $100 if a person or group acquires or commences a tender offer for 15% or more of Interpublic's Common Stock. Rights holders (other than the 15% stockholder) will also be entitled to buy, for the $100 exercise price, shares of Interpublic's Common Stock with a market value of $200 in the event a person or group actually acquires 15% or more of Interpublic's Common Stock. Rights may be redeemed at $.01 per right under certain circumstances.

NOTE 3: ACQUISITIONS AND RELATED COSTS
During 1996, the Company acquired several advertising agencies and related companies for an aggregate purchase price of approximately $172 million. This amount includes the acquisition of DraftDirect Worldwide

for 1,824,609 shares of the Company's common stock in exchange for all of the issued and outstanding common stock of DraftDirect Worldwide. The Company issued 330,664 shares of the Company's common stock in exchange for all of the issued and outstanding common stock of the Weber Group. The Company also issued 191,291 shares of the Company's common stock in exchange for all of the issued and outstanding common stock of Torre Renta Lazur. These acquisitions were accounted for as poolings of interests; however, the

Company's financial statements were not restated for the prior periods as the Company's consolidated results would not have changed significantly. In addition, the Company purchased Angotti Thomas Hedge for approximately $4 million which included a cash payment of $3.4 million and issuance of 14,767 shares of the Company's common stock. The Company purchased Jay Advertising for a cash payment of $3.8 million and issuance of 30,012 shares of the Company's common stock. The Company acquired Media Inc. and McAdams Healthcare for cash payments of $7 million and $10.3 million, respectively. The Company acquired a 49% interest in GGK for $5.7 million and also acquired a 49% interest in Goldberg Moser O'Neill for a cash payment of $6.8 million and the issuance of 48,154 shares of the Company's common stock. During 1996, the Company made deferred payments of $16.0 million related to prior year acquisitions.

During 1996, the Company sold its 50% investment in Mark Goodson Productions for approximately $29 million and sold part of its 28% investment in the CKS Group for $37.6 million. The Company also sold its investment in Spotlink for $11.7 million in shares of the purchaser's common stock.

During 1995, the Company acquired several advertising agencies and related companies for an aggregate purchase price of approximately $140.1 million. This amount includes the acquisition of Anderson & Lembke effective October 1995 for 587,842 shares of the Company's common stock in exchange for all of the issued and outstanding common stock of Anderson & Lembke. The Company issued 260,756 shares of the Company's common stock in exchange for all the issued and outstanding common stock of Addison Whitney. These acquisitions were accounted for as poolings of interests; however, the Company's financial statements were not restated for the prior periods as the Company's consolidated results would not have changed significantly. In addition, the Company acquired all the outstanding stock of Hasan & Partners for approximately $11.6 million which included cash payments of $6.9 million and the issuance of 121,160 shares of the Company's common stock. The Company acquired 80% of the outstanding stock of Bosch & Butz for 63,720 shares of the Company's common stock and a cash payment of $2.6 million. During 1995, the Company purchased Newspaper Services of America Inc. ("NSA") and Kevin Morley Marketing ("KMM").

The purchase price for NSA was comprised of cash payments of $5.3 million and 48,882 shares of the Company's common stock. The purchase price of the KMM acquisition amounted to cash payments of $8.0 million. The Company acquired 50% ownership in Mark Goodson Productions for 656,167 shares of the Company's common stock. Also, the Company acquired 50% ownership in Campbell Mithun Esty for a cash payment of $3.2 million. Additionally, the Company acquired a 28% interest in the CKS Group for cash payments totaling $9.6 million. During 1995, the Company made deferred payments of $26.9 million related to prior year acquisitions.

During 1994, the Company acquired several advertising agencies and related companies for an aggregate purchase price of approximately $100.2 million. The 1994 acquisitions included Ammirati & Puris, Alice France, Adam Turkey, the minority interest in Fremantle International and a pooling of interests with Western International Media. The Company acquired Ammirati & Puris effective September 1994 for $56.0 million, which included cash payments of $21.9 million and the issuance of 1,092,629 shares of the Company's common stock. The Company acquired a 50% interest in Alice France for $7.7 million. The Company purchased the remaining 20% ownership interest in Fremantle for $6.3 million and the issuance of 112,000 shares of the Company's Common Stock. The Company subsequently sold Fremantle for $31.5 million in cash and a 39% ownership interest in All American Communications Inc. valued at $31.5 million. In 1994, the Company issued 1,472,393 shares of common stock in exchange for all the issued and outstanding common stock of Western International Media. This acquisition was accounted for as a pooling of interests; however, the Company's financial statements were not restated for prior periods as the Company's consolidated results would not have changed significantly. During 1994, the Company made deferred payments of $18.3 million relating to prior year acquisitions.

For each of the three years presented, the Company's consolidated results would not have changed significantly had the revenue and net income of the companies acquired as purchases been fully included in each year.

In March 1995, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (FAS) No 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of", which establishes accounting standards for recognition and measurement of impairment of long-lived assets, certain identifiable intangibles and goodwill related to those assets. The Company elected to adopt the Statement in the fourth quarter of 1995.

In the fourth quarter of 1995, the Company recorded a non-cash charge of $38.2 million for impairment of assets (including investments in and advances to certain unconsolidated companies) and related goodwill. This write-down is comprised of goodwill of $25.8 million and investments and advances of $12.4 million and is reported as the write-down of goodwill and other related assets in the consolidated statement of income.

The write-down related to 16 separate operating units, primarily advertising and promotion agencies. All but two of these units are located in Europe or North America and were acquired between 1978 and 1994. The reason for the write-down was that the carrying value of the assets exceeded management's estimate of the fair value of these operations which was based primarily on discounted projected cash flows. In determining the fair values, among other factors, management considered the profitability and trend in profitability of each of the units, the effects of economic recessions in various markets, changes in client relationships and spending patterns, the effect of the strong U.S. dollar versus certain foreign currencies and other economic and legal factors where applicable. In some instances strategies had been implemented to improve operating results which did not prove successful and in some instances management reached a decision in 1995 to sell, merge or discontinue the operations.

NOTE 4: PROVISION FOR INCOME TAXES

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

The components of income before taxes are as follows:

(Dollars in Thousands)	1996	1995	1994
Domestic	$169,919	$107,431	$ 70,135
Foreign	187,227	146,724	130,664
Total	$357,146	$254,155	$200,799

The provision for income taxes consisted of:

(Dollars in Thousands)	1996	1995	1994
Federal income taxes (including foreign withholding taxes):			
Current	$ 56,289	$ 37,149	$ 29,657
Deferred	246	3,751	(2,841)
	56,535	40,900	26,816
State and local income taxes:			
Current	19,830	11,741	12,293
Deferred	2,824	625	(2,431)
	22,654	12,366	9,862

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Foreign income taxes:			
Current	69,812	61,255	60,992
Deferred	1,002	8,222	(11,337)
	70,814	69,477	49,655
Total	$150,003	$122,743	$ 86,333

At December 31, 1996 and 1995 the deferred tax assets and (liabilities) consisted of the following items:

	1996	1995
Postretirement/postemployment benefits	$ 38,588	$ 36,695
Deferred compensation	9,759	7,066
Pension costs	6,785	10,060
Depreciation	(7,733)	(4,695)
Rent	10,364	26,902
Interest	6,051	5,048
Accrued reserves	4,551	12,388
Tax loss/tax credit carryforwards	22,510	24,833
Other	3,016	4,279
Total deferred tax assets	93,891	122,576
Deferred tax valuation allowance	14,520	19,079
Net deferred tax assets	$ 79,371	$103,497

The valuation allowance of $14,520,000 and $19,079,000 at December 31, 1996 and 1995, respectively, represents a provision for uncertainty as to the realization of certain deferred tax assets, including U.S. tax credit and net operating loss carryforwards in certain jurisdictions.

The change during 1996 in the deferred tax valuation allowance primarily relates to the utilization of the tax credit and net operating loss carryforwards. At December 31, 1996 there were $8,809,000 of tax credit carryforwards with expiration periods through 2001 and net operating loss carryforwards with a tax effect of $13,701,000 with various expiration periods. The Company has concluded that based upon expected future results, it is more likely than not that the net deferred tax asset balance will be realized.

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

	1996	1995	1994
Statutory federal income tax rate	35.0%	35.0%	35.0%
State and local income taxes, net of federal income tax benefit	2.9	3.2	2.5
Impact of foreign operations, including withholding taxes	1.1	3.8	5.4
Goodwill and intangible assets	2.5	7.3	3.1
Other	0.5	(1.0)	(3.0)
Effective tax rate	42.0%	48.3%	43.0%

The total amount of undistributed earnings of foreign subsidiaries for income tax purposes was approximately $331.8 million at December 31, 1996. No provision has been made for foreign withholding taxes or United States income taxes which may become payable if undistributed earnings of foreign subsidiaries were paid as dividends to the Company, since a major portion of these earnings has been reinvested in working capital and other business needs. The additional taxes on that portion of undistributed earnings which is available for dividends are not practicably determinable.

NOTE 5: LONG-TERM PERFORMANCE INCENTIVE PLAN

Under the Long-Term Performance Incentive Plan (the "Plan"), grants consisting of performance units are awarded to certain key employees of the Company and its subsidiaries. The ultimate value of these performance units is contingent upon the annual growth of profit (as defined in the Plan) of the Company, its operating components or both, over a four-year performance period (the 1993-1996 Plan and the 1995-1998 Plan), and is generally payable in cash. The projected value of these units is accrued by the Company and charged to expense over the four-year performance period.

The Plan also provides that a portion of each participant's grant may be issued as the equivalent of "phantom" shares of the Company's common stock, at the rate of thirty-six phantom shares for each performance unit. The value of phantom shares is a function of the amount, if any, by which the market value of the Company's common stock increases during the performance period and is payable either in cash or in shares of the Company's common stock. The increase in the value of these units is accrued and expensed over the four-year performance period. No phantom share awards have been made subsequent to the 1991-1994 Plan.

The cash equivalent to quarterly dividends on the Company's common stock was paid on options relating to the 1993-1996 Plan and was expensed. There are no payments on options relating to the 1995-1998 Plan.

The Plan cost charged to income was $13.6 million in 1996, $9.6 million in 1995 and $8.5 million in 1994. As of December 31, 1996, the Company's liability for the 1993-1996 and 1995-1998 performance periods was $29.8 million, which represents the estimated amounts payable for the two Plans. As of December 31, 1995, the Company's liability was $24.1 million. The Company's payout to participants for the 1993-1996 performance period as of December 31, 1996 was approximately $20.2 million, of which $7.9 million was paid in December 1996, with the remaining $12.3 million to be paid in the first quarter of 1997.

NOTE 6: EMPLOYEE STOCK PLANS
The Company has established various stock option plans, with similar terms, for key employees of the Company and its subsidiaries. Options are generally granted at prices not less than 100% of the fair market value of the Company's common stock on the date of grant. Options are exercisable on the basis of a schedule determined by the Compensation Committee of the Board of Directors. Awards generally become exercisable either in three annual installments of 40% in the first year and 30% in the succeeding two years commencing on the third anniversary

of the grant or after two to four and one half years from the date of the grant. Options generally expire ten years from grant date.

The 1996 Stock Incentive Plan ("1996 Plan") was adopted by the stockholders to replace the 1986 Stock Incentive Plan ("1986 Plan") which expired on May 20, 1996. Under the 1996 Plan, 25,000,000 shares of common stock of the Company are reserved for issuance. Both the 1996 and 1986 Plans incorporate stock option and restricted stock award features. Shares of restricted stock awarded under these Plans are subject to certain restrictions and vesting requirements, generally five to seven years. No monetary consideration is paid by a recipient for a restricted stock award. The cost of these shares is amortized over the restriction periods. The Plans authorize the Compensation Committee to direct that discretionary tax assistance payments may be made to recipients when the restrictions lapse. Such payments are expensed as awarded. At December 31, 1996, there were outstanding a total of 2,399,689 shares of restricted stock. During 1996 and 1995, the Company awarded 480,602 shares and 497,228 shares of restricted stock under these Plans with a weighted-average grant date fair value of $46.70 and $36.82, respectively.

The 1986 United Kingdom Stock Option Plan expired in 1996 and was not replaced. Under the 1988 Stock Option Plan, the Company can grant, through 1998, options to purchase 600,000 shares of the Company's common stock to key employees who are employed outside the United States. As permitted under this Plan, certain options were granted at prices less than the market value of the Company's common stock.

The Company also maintains a stock plan for outside directors who are not current employees. The Interpublic Outside Directors' Stock Incentive Plan (previously the Interpublic Outside Directors' Stock Option Plan) was amended in 1996 to incorporate both stock option and restricted stock award features. Under the Plan, 200,000 shares of common stock of the Company are reserved for issuance. Stock options under this Plan are awarded at the fair market value of the Company's common stock on the date the option is granted. Options generally become exercisable three years after the date of grant and expire ten years from the date of grant.

Restricted shares under the Outside Directors' Plan are subject to certain restrictions and vesting requirements, generally five years. No monetary consideration is paid by a recipient for a restricted stock award. The cost of these shares is being amortized over the restriction periods. At December 31, 1996, there were 10,000 shares of restricted stock outstanding. During 1996, the Company awarded 10,000 shares under this Plan with a weighted-average grant date fair value of $46.75.

Following is a summary of stock option transactions during the three-year period ended December 31, 1996:

	Number of Shares Under Option	Weighted Average Exercise Price
Balance, December 31, 1993	6,727,220	$22
New Awards	387,324	31
Exercised	(627,374)	15
Canceled	(397,028)	27
Balance, December 31, 1994	6,090,142	23
Exercisable, December 31, 1994	1,563,498	16
New Awards	2,076,797	33
Exercised	(1,269,033)	21
Canceled	(273,138)	30
Balance, December 31, 1995	6,624,768	33
Exercisable, December 31, 1995	3,025,655	17
New Awards	2,335,720	47
Exercised	(605,244)	21
Canceled	(311,282)	33
Balance, December 31, 1996	8,043,962	33
Exercisable, December 31, 1996	2,564,001	21

The following table summarizes information about stock options outstanding at December 31, 1996:

Range of Exercise Prices	Weighted Average Number Outstanding at 12/31/96	Weighted Remaining Contractual Life	Weighted Average Exercise Price	Number Exercisable at 12/31/96	Average Exercise Price
$7.37 to $23.99	2,181,863	4.41	$20	2,155,151	$20
24.00 to 31.99	1,504,026	6.18	29	327,250	$28
32.00 to 41.99	2,096,801	7.98	33	81,600	$34
42.00 to 49.19	2,261,272	9.41	47	-	-

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Under the Employee Stock Purchase Plan (ESPP), employees may purchase common stock of the Company through payroll deductions not exceeding 10% of their compensation. The price an employee pays for a share of stock is 85% of the market price on the last business day of the month. During 1996, 1995 and 1994, respectively, 186,586 shares, 158,547 shares and 144,662 shares were issued. An additional 5,724,820 shares were reserved for issuance at December 31, 1996.

Under the Company's Achievement Stock Award Plan, awards may be made up to an aggregate of 1,248,000 shares of common stock together with cash awards to cover any applicable withholding taxes. During 1996, 1995 and 1994, respectively, 5,670 shares, 7,185 shares and 10,580 shares were awarded. The weighted-average fair value on the date of grant in 1996 and 1995 was $46.29 and $37.10, respectively.

The Company has adopted Financial Accounting Standard No. 123, "Accounting for Stock-Based Compensation" (FAS 123). As permitted by the provisions of FAS 123, the Company applies APB Opinion 25 "Accounting for Stock Issued to Employees" and related interpretations in accounting for its stock-based employee compensation plans. Accordingly, no compensation cost has been recognized for the Company's stock options or for purchase under the Company's stock purchase plan.

The cost recorded for restricted stock and achievement stock awards in 1996, 1995 and 1994 was $14,527,086, $13,738,872 and $12,021,746, respectively. If compensation cost for the Company's stock option plans and its stock purchase plan had been determined based on the fair value at the grant dates as defined by FAS 123, the Company's pro forma net income and earnings per share would have been as follows:

		1996	1995
Net Income	As reported	$205,205	$129,812
	Pro forma	$198,219	$125,636
Earnings per share			
	As reported	$2.56	$1.66
	Pro forma	$2.47	$1.61

For purposes of this pro forma information, the fair value of shares issued under the Employee Stock Purchase Plan was based on the 15% discount received by the employees. The weighted-average fair value on the date of purchase for stock purchased under this Plan was $6.90 and $5.58 in 1996 and 1995, respectively.

For purposes of this pro forma information, the fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions used for grants in 1996 and 1995, respectively: dividend yield of 1.41% and 1.72%; expected volatility of 20.71% and 22.08%; risk-free interest rate of 6.43% and 7.66%; and expected life of 6 years for both years. The weighted average fair value on the date of grant for options granted in 1996 and 1995 was $14.45 and $10.89, respectively. As required by FAS 123, this pro forma information is based on stock awards made beginning in 1995 and accordingly is not likely to be representative of the pro forma effects in future years because options vest over several years and additional awards generally are made each year.

NOTE 7: RETIREMENT PLANS

Domestic Retirement Plan

The Company and certain of its domestic subsidiaries have a defined benefit plan ("Domestic Plan") which covers substantially all regular employees. The Company's policy is to fund pension costs as permitted by applicable tax regulations. Pension costs are determined by the projected unit credit

method based upon career average pay. Funding requirements for the Domestic Plan are determined using the accrued benefit unit credit method. The Domestic Plan was amended as of January 1, 1992 to provide that pension benefits accrued after that date would be calculated under a new "cash balance" formula. Under the cash balance formula, the participant's account balance is credited each year with an amount equal to a percentage of that year's annual compensation, plus interest credits. Participants in the Domestic Plan on December 31, 1991 who continued to work for the Company after that date had their normal retirement benefits under the plan as of that date converted on an actuarial basis into an opening account balance as of January 1, 1992.

In accordance with FAS 87, "Employers' Accounting for Pensions", the

Company recorded an additional minimum pension liability for the Domestic Plan of $23.3 million and $19.5 million at December 31, 1996 and 1995, respectively, representing the excess of unfunded accumulated benefit obligation over previously recorded pension cost liabilities. A corresponding amount was recognized as an intangible asset to the extent of unrecognized prior service cost and net transition obligation, with the balance recorded as a separate reduction of stockholders' equity. In 1996 and 1995, the Company recorded an intangible asset of $10.4 million and $10.5 million, respectively and a reduction to stockholders' equity of $13.0 million and $9.1 million, respectively.

Net pension costs for the Domestic Plan for 1996, 1995 and 1994 included the following components:

(Dollars in Thousands)	1996	1995	1994*
Service cost-benefits earned during the year	$ 4,057	$ 3,322	$ 3,688
Interest cost on projected benefit obligation	10,248	10,398	9,768
Actual return on plan assets	(10,983)	(20,622)	2,457
Amortization of unrecognized transition obligation	1,887	1,887	1,887
Amortization of unrecognized prior service cost	(1,769)	(1,769)	(1,738)
Amortization of unrecognized losses	1,005	309	-
Deferred investment loss(gain)	129	10,874	(13,174)
Total pension cost	$ 4,574	$ 4,399	$ 2,888

* Disaggregated for comparative purposes.

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The following table sets forth the funded status and amounts recognized for the Domestic Plan in the Company's consolidated balance sheet at December 31, 1996 and 1995:

(Dollars in Thousands)	1996	1995
Actuarial present value of accumulated benefit obligation (including vested benefits of $128,649 in 1996 and $124,701 in 1995)	$132,110	$127,964
Actuarial present value of projected benefit obligation	139,142	135,458
Plan assets at fair value	112,284	110,730
Projected benefit obligation in excess of plan assets	(26,858)	(24,728)
Unrecognized net losses	20,010	16,582
Unrecognized prior service cost	902	(867)
Unrecognized net transition obligation	9,437	11,324
Additional minimum liability	(23,317)	(19,545)
Accrued pension liability	$(19,826)	$(17,234)

At December 31, 1996, Domestic Plan assets were primarily invested in fixed income and equity securities. Prior service costs are being amortized over the estimated average remaining service period of active employees. The initial net transition obligation is being amortized over 15 years.

A discount rate of 7.5% in 1996, 7.25% in 1995 and 8.5% in 1994 and a salary increase assumption of 6% in 1996, 1995 and 1994 were used in determining the actuarial present value of the projected benefit obligation. The expected return on assets was 10% in 1996, 1995 and 1994.

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Foreign Retirement Plans

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

Net pension costs for foreign pension plans for 1996, 1995 and 1994 included the following components:

(Dollars in Thousands)	1996	1995	1994*
Service cost-benefits earned during the year	$ 4,900	$ 5,276	$ 6,215
Interest cost on projected benefit obligation	10,084	11,054	9,726
Actual return on plan assets	(9,077)	(8,738)	5,109
Net amortization and deferral	1,251	1,372	(12,690)
Unrecognized net(gain)loss	(2,026)	(1,367)	23
Other	(50)	-	59
Total pension cost	$ 5,082	$ 7,597	$ 8,442

* Disaggregated for comparative purposes.

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The following table sets forth the funded status and amounts recognized for the foreign pension plans in the Company's consolidated balance sheet at December 31, 1996 and 1995:

(Dollars in Thousands)	1996 Assets Exceed Accumulated Benefits	1996 Accumulated Benefits Exceed Assets	1995 Assets Exceed Accumulated Benefits	1995 Accumulated Benefits Exceed Assets
Actuarial present value of accumulated benefit obligation (including vested benefits of: 1996 - $76,092 and $66,113; 1995 - $57,723 and $70,747)	$ 76,293	$ 71,779	$57,806	$ 77,075
Actuarial present value of projected benefit obligation	84,404	79,290	64,974	89,844
Plan assets at fair value	129,488	6,336	103,438	11,440
Projected benefit obligation less than (in excess of) plan assets	45,084	(72,954)	38,464	(78,404)
Unrecognized net loss	(27,517)	(1,884)	(27,370)	(4,745)
Unrecognized prior service cost	4,519	-	4,174	46
Unrecognized net (asset) obligation	(1,492)	5,777	(1,807)	7,171
Prepaid (accrued) pension cost at December 31, 1996 and 1995	$ 20,594	$ (69,061)	$13,461	$(75,932)

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Foreign plans utilized discount rates ranging from 5.5% to 12.0% in both 1996 and 1995 and salary increase assumptions ranging from 2.5% to 10.0% in 1996, and from 2.0% to 10.0% in 1995, to determine the actuarial present value of the projected benefit obligation. The expected rates of return on assets of foreign plans ranged from 4.0% to 12.0% in both 1996 and 1995.

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

NOTE 8: POSTRETIREMENT AND POSTEMPLOYMENT BENEFITS

Postretirement Benefit Plans

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

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

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

(Dollars in Thousands)	1996	1995
Service cost - benefits earned during the year	$ 610	$ 583
Interest cost on accumulated postretirement benefit obligation	2,824	3,047
Amortization of prior service cost	(934)	(934)
Total periodic expense	$2,500	$2,696

The following table sets forth the funded status and amounts recognized for the Company's postretirement benefit plans in the consolidated balance sheet at December 31, 1996 and 1995:

(Dollars in Thousands)

	1996	1995
Accumulated postretirement benefit obligation:		
Retirees	$ 21,227	$ 28,505
Fully eligible active plan participants	5,110	5,614
Other active plan participants	12,420	8,133
Total accumulated postretirement benefit obligation	38,757	42,252
Plan assets at fair value	-	-
Accumulated postretirement benefit obligation in excess of plan assets	(38,757)	(42,252)
Unrecognized net (loss)gain	(3,272)	1,423
Unrecognized prior service cost	(4,697)	(5,632)
Accrued postretirement benefit liability	$(46,726)	$(46,461)

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A discount rate of 7.50% in 1996 and 7.25% in 1995 and a salary increase assumption of 6.0% in 1996 and 1995, were used in determining the accumulated postretirement benefit obligation. A 10.0% and a 9.5% increase in the cost of covered health care benefits were assumed for 1996 and 1995, respectively. This rate is assumed to decrease incrementally to 5.5% in the year 2002 and remain at that level thereafter. The health care cost trend rate assumption does not have a significant effect on the amounts reported. For example, a 1% increase in the health care cost trend rate would increase the accumulated postretirement benefit obligation at December 31, 1996 by approximately $1.7 million, and the net periodic cost for 1996 by approximately $0.2 million.

Postemployment Benefits

Effective January 1, 1994, the Company adopted FAS 112, "Employer's Accounting for Postemployment Benefits", and recognized a one-time after-tax charge of $21.8 million. This Statement requires the Company to accrue the costs of certain benefits, including severance, worker's compensation and health care coverage over an employee's service life.

The Company's liability for postemployment benefits totaled $32.8 million and $36.2 million at December 31, 1996 and 1995, respectively, and is included in deferred compensation and reserve for termination allowances. The net periodic expense recognized in 1996 and 1995 was $21.1 million and $8.8 million, respectively.

NOTE 9: SHORT-TERM BORROWINGS AND FINANCIAL INSTRUMENTS

The Company and its domestic subsidiaries have lines of credit with various banks. These credit lines permit borrowings at fluctuating interest rates determined by the banks. Short-term borrowings by subsidiaries outside the United States principally consist of drawings against bank overdraft facilities and lines of credit. These borrowings bear interest at the prevailing local rates. Where required, the Company has guaranteed the repayment of the borrowings. Unused lines of credit by the Company and its subsidiaries at December 31, 1996 and 1995 aggregated $313.0 million and $319.0 million, respectively. The weighted average interest rate on outstanding balances at December 31, 1996 was 5.9%. Current maturities of long-term debt are included in the payable to banks balance.

The Company occasionally uses forwards and options to hedge a portion of its net investment in foreign subsidiaries and certain intercompany transactions in order to mitigate any impact of changes in foreign exchange rates on working capital. The amount of such hedges at the end of the year was not significant.

NOTE 10: LONG-TERM DEBT

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

(Dollars in Thousands)	1996	1995
Convertible Subordinated Debentures - 3.75%	$115,192	$113,235
Term loans- 6.5% to 14.0%.(5.5% to 14.0% in 1995)	202,414	158,333
Mortgage notes payable and other long-term loans- 7.6% to 9.0% (7.5% to 9.0% in 1995)	45,513	44,604
	363,119	316,172
Less: current portion	16,167	32,675
Long-term debt	$346,952	$283,497

The increase in long-term debt during 1996 primarily resulted from an additional private placement with the Prudential Insurance Company (Prudential) of $30.0 million at 7.31%, and additional term loans of $25.0 million at 6.97% with SunTrust Bank and $20.0 million at 6.67% with Wachovia Bank and a money market rate loan with Chase Bank of $5.0

million at a variable rate from 5.6% to 6.5%. This debt represents long-term refinancing of short-term debt.

The Convertible Subordinated Debentures were issued in April 1992 and mature on April 1, 2002 with a face value of $135.0 million. The terms of the bond offering included an issuance price equal to 77% of the face value with a coupon of 3.75%. The debentures are convertible into common stock of the Company at a rate of 22.238 shares per each U.S. $1,000 principal amount. Fair value of the Convertible Subordinated Debentures as of December 31, 1996 was approximately $142 million. The fair value was estimated by obtaining quotes from brokers.

Term loans at December 31, 1996 consisted of $114.1 million of private placements with Prudential, $25.0 million in term loans with First Chicago NBD, $40.0 million in term loans with SunTrust Bank, $20.0 million in term loans with Wachovia Bank and a $3.3 million private placement loan with Massachusetts Mutual. The private placements with Prudential have payments due in 1997 through 1998 and 2002 through 2006. The other term loans have payments due in 1997 through 2003.

Mortgage notes payable and other long-term loans at December 31, 1996 primarily related to a $35.3 million mortgage which was used to finance the purchase of a building and land by one of the Company's subsidiaries during 1993. The terms of the mortgage call for annual payments of approximately $0.6 million from 1997-2002 with a balloon payment of $31.6 million thereafter.

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

Long-term debt maturing over the next five years is as follows: 1997-$16.2 million; 1998-$25.5 million; 1999-$26.4 million; 2000-$5.8 million; and 2001-$14.0 million. Of the remaining debt of $274.2 million, $212.6 million matures during the years 2002-2005 while $61.6 million matures in subsequent years.

All material financial instruments are carried in the consolidated balance sheet at amounts which approximate fair values unless otherwise disclosed. The fair value was estimated by obtaining quotes from brokers.

NOTE 11: DISCLOSURES UNDER FAS 95

This Statement requires disclosures of specific cash payments and non-cash 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 and Interest Payments

Cash paid for income taxes was approximately $101.8 million, $80.8 million and $67.1 million, in 1996, 1995 and 1994, respectively. Interest payments were approximately $27.1 million in 1996, $25.0 million in 1995 and $23.0 million in 1994.

Acquisitions

As more fully described in Note 3, in 1996 the Company issued 1,824,609 shares, 330,664 shares and 191,291 shares of its common stock in exchange for all of the issued and outstanding stock of DraftDirect Worldwide, The Weber Group and Torre Renta Lazur, respectively. Additionally, the Company issued in conjunction with the acquisitions of Goldberg Moser O'Neill, Jay Advertising and Live Communications 48,154 shares, 30,012 shares and 21,490 shares of its common stock, respectively. In 1995, the Company issued 587,842 shares and 260,756 shares of its common stock in exchange for all the issued and outstanding stock of Anderson & Lembke and Addison Whitney, respectively. Additionally, the Company issued in conjunction with the acquisitions of Hasan & Partners, Bosch & Butz, and Newspaper Services of America, Inc., 121,160 shares, 63,720 shares, and 48,882 shares of its common stock, respectively. In 1994, the Company issued 1,092,629 shares of its common stock in conjunction with the acquisition of Ammirati & Puris and a total of 1,472,393 shares of its common stock in connection with the pooling of interest with Western International Media.

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

(Dollars in Thousands)	1996	1995	1994
Fair value of assets acquired	$182,072	$ 73,142	$163,423
Liabilities assumed	106,289	11,170	64,998
Net assets acquired	75,783	61,972	98,425
Less: non-cash consideration	7,568	9,637	38,525
Less: cash acquired	16,867	5,481	4,974
Net cash paid for acquisitions	$ 51,348	$ 46,854	$ 54,926

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The fair value of assets acquired in 1996 contains approximately $66.8 million of intangible assets. The 1996 amounts shown in the previous table exclude deferred payments of $2.6 million in connection with the acquisition of various advertising agencies, which are payable in 1997 and thereafter, but includes $13.0 million of deferred payments made during 1996 relating to various prior year acquisitions.

The 1995 amounts shown above exclude deferred payments of $3.2 million in connection with the acquisition of various advertising agencies, which are payable in 1996 and thereafter, but include $26.9 million of deferred payments made during 1995 relating to various prior year acquisitions.

The 1994 amounts shown above exclude deferred payments of $9.5 million in connection with the acquisition of various advertising agencies, which are payable in future years, but include $18.3 million of deferred payments made during 1994 relating to various acquisitions.

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NOTE 12: RESULTS BY QUARTER (UNAUDITED)

(Dollars in Thousands Except Per Share Data)	1st Quarter 1996	1st Quarter 1995	2nd Quarter 1996	2nd Quarter 1995	3rd Quarter 1996	3rd Quarter 1995	4th Quarter 1996	4th Quarter 1995
Gross income	$506,160	$460,420	$675,345	$557,154	$567,718	$492,486	$788,293	$669,679
Operating expenses	466,109	425,592	521,568	435,588	509,036	444,909	642,892	543,298
Write-down of goodwill and other related assets	-	-	-	-	-	-	-	38,177
Provision for income taxes	13,126	11,567	61,248	47,390	20,527	15,953	55,102	47,833
Net income	17,832	15,176	82,928	63,768	27,471	22,181	76,974	28,687
Per Share Data:								
Net income	.23	.20	1.04	.82	.34	.28	.95	.36
Cash dividends per share	.155	.140	.17	.155	.17	.155	.17	.155
Price range per share:								
High	47 1/4	37 3/8	49 3/4	39	48 1/2	40	50	43 3/8
Low	$40	$32 3/8	$45 5/8	$35 1/4	$41 3/4	$36	$44 3/8	$37 3/8

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NOTE 13: GEOGRAPHIC AREAS

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

(Dollars in Thousands)	1996	1995	1994
Total Assets:			
United States	$2,236,168	$1,864,095	$1,559,768
International			
Europe	1,626,966	1,554,283	1,372,466
Asia Pacific	544,287	515,219	560,965
Latin America	224,683	193,592	183,701
Other	133,026	132,577	116,518
Total International	2,528,962	2,395,671	2,233,650
Total Consolidated	$4,765,130	$4,259,766	$3,793,418
Income From Commissions and Fees:			
United States	$1,001,545	$ 754,576	$ 713,497
International			
Europe	882,746	837,006	719,881
Asia Pacific	309,161	281,961	268,124
Latin America	170,024	152,503	153,469
Other	67,032	67,786	61,405
Total International	1,428,963	1,339,256	1,202,879
Total Consolidated	$2,430,508	$2,093,832	$1,916,376

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(Dollars in Thousands)	1996	1995	1994
Income Before Provision for Income Taxes:			
Operating income:			
United States	$ 197,793	$ 131,194	$ 88,208
International			
Europe	96,948	73,424	56,281
Asia Pacific	57,439	48,292	43,376
Latin America	35,578	31,626	40,975
Other	10,153	7,638	4,884
Total International	200,118	160,980	145,516
Items not allocated to operations, principally interest expense:			
United States	(27,874)	(23,763)	(18,073)
International	(12,891)	(14,256)	(14,852)
Total Consolidated	$ 357,146	$ 254,155	$ 200,799

The largest client of the Company contributed approximately 11% in 1996 and 1995, and 10% in 1994 to income from commissions and fees. The Company's second largest client contributed approximately 8% in 1996, 1995 and 1994 to income from commissions and fees.

Dividends received from foreign subsidiaries were $35.2 million in 1996, $31.8 million in 1995 and $43.6 million in 1994. Net assets of foreign subsidiaries were approximately $677 million, $584 million and $558 million at December 31, 1996, 1995 and 1994, respectively.

Consolidated net income includes losses from exchange and translation of foreign currencies of $4.1 million, $4.7 million and $10.6 million in 1996, 1995 and 1994, respectively. PAGE

NOTE 14: RESTRUCTURING CHARGES

In the fourth quarter of 1994, the Company recorded restructuring charges of $48.7 million in connection with the elimination of duplicate facilities and excess personnel resulting primarily from the merger of Lintas New York and Ammirati & Puris agencies and certain international offices. This amount included $38.3 million of severance charges for involuntary terminations of approximately 600 employees, $6.7 million related to the abandonment of operations and $3.7 million for the consolidation of facilities. At December 31, 1995, the Company's liability related to these restructuring charges totaled $1.3 million for severance, and is included in accrued expenses. The amount of cash payments made during 1995 was approximately $27.8 million. The remaining liability was paid in 1996.

NOTE 15: COMMITMENTS AND CONTINGENT LIABILITIES

At December 31, 1996, the Company's subsidiaries operating outside the United States were contingently liable for discounted notes receivable of approximately $13.8 million.

The Company and its subsidiaries lease certain facilities and equipment. Gross rental expense amounted to approximately $180 million for 1996, $164 million for 1995 and $141 million for 1994, which was reduced by sublease income of $29.1 million, $19.5 million and $10.8 million in 1996, 1995 and 1994, respectively.

During 1995, the Company entered into a transaction whereby it acquired the leasing operations of a third party at a cost of approximately $7 million. These leasing operations include equipment leased from the equipment owner (the "Owner"), which has in turn been leased to a third party (the "Sublessee"). Both leases are accounted for by the Company as operating leases. The Sublessee has prepaid $46.6 million of its obligations under the sublease agreement. This prepayment is held in an interest-bearing escrow account and is to be used to meet the Company's lease obligations to the Owner. At December 31, 1996, the remaining escrow balance of $30.1 million is reflected in prepaid expenses and miscellaneous assets and the unearned sublease income amount of $23.1 million is reflected in other noncurrent liabilities. The deferred tax asset attributable to the prepaid sublease obligation amounts to $18.8 million at December 31, 1996.

Minimum rental commitments for the rental of office premises and equipment under noncancellable leases, some of which provide for rental adjustments due to increased property taxes and operating costs for 1995 and thereafter, are as follows:

(Dollars in Thousands) Period	Gross Amount	Sublease Income
1997	$153,043	$24,150
1998	120,191	13,427
1999	98,704	6,423
2000	84,163	4,744
2001	69,991	3,900
2002 and thereafter	220,418	4,871

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

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

REPORT OF INDEPENDENT ACCOUNTANTS

1177 Avenue of the Americas
New York, New York 10036

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

February 14, 1997

In our opinion, the accompanying consolidated balance sheet and the related consolidated statements of income, of stockholders' equity and of cash flows present fairly, in all material respects, the financial position of The Interpublic Group of Companies, Inc. and its subsidiaries (the "Company") at December 31, 1996 and 1995, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1996, in conformity with generally accepted accounting principles. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

As discussed in Notes 3 and 8 to the consolidated financial statements, during 1995, the Company changed its method of accounting for long-lived assets in accordance with Statement of Financial Accounting Standards No. 121, and effective January 1, 1994, the Company changed its method of accounting for postemployment benefits as required by Statement of Financial Accounting Standards No. 112.

Price Waterhouse LLPPAGE

SELECTED FINANCIAL DATA FOR FIVE YEARS

(Dollars in Thousands Except Per Share Data)	1996	1995	1994	1993	1992
Operating Data					
Gross income	$ 2,537,516	$ 2,179,739	$ 1,984,255	$ 1,793,856	$ 1,855,971
Operating expenses	2,139,605	1,849,387	1,701,817	1,535,651	1,615,592
Restructuring charges	-	-	48,715	-	-
Write-down of goodwill and other related assets	-	38,177	-	-	-
Interest expense	40,765	38,020	32,924	26,445	33,221
Provision for income taxes:	150,003	122,743	86,333	99,819	91,335
Income before effect of accounting change	205,205	129,812	115,247	125,279	111,913
Effect of accounting changes:					
Postemployment benefits	-	-	(21,780)	-	-
Income taxes	-	-	-	(512)	-
Postretirement benefits	-	-	-	-	(24,640)
Net Income	205,205	129,812	93,467	124,767	87,273
Cash dividends	51,786	46,124	40,360	35,901	32,483
Per Share Data					
Income before effect of accounting changes	2.56	1.66	1.53	1.67	1.50
Effect of accounting changes:					
Postemployment benefits	-	-	(.29)	-	-
Income taxes	-	-	-	(.01)	-
Postretirement benefits	-	-	-	-	(.33)
Net Income	2.56	1.66	1.24	1.66	1.17
Cash dividends	.665	.605	.545	.49	.45
Financial Position					
Working capital	154,430	147,701	80,134	167,175	224,534
Total assets	4,765,130	4,259,766	3,793,418	2,869,817	2,623,345
Long-term debt	346,952	283,497	241,803	226,085	200,237
Stockholders' equity per share	$ 10.73	$ 9.42	$ 8.36	$ 7.54	$ 6.81

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Other Data

Weighted average number of shares	80,293,178	78,180,072	75,570,445	75,215,521	74,974,618
Number of employees	21,700	19,700	18,100	17,600	16,800

Reflects the cumulative effect of adopting FAS 112, "Employers' Accounting for Postemployment Benefits."
Reflects the cumulative effect of FAS 109, "Accounting for Income Taxes."
Reflects the cumulative effect of FAS 106, "Employers' Accounting for Postretirement Benefits Other than Pensions."

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VICE CHAIRMAN'S REPORT OF MANAGEMENT

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

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

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

The Company has formally stated and communicated policies requiring of employees high ethical standards in their conduct of its business. As a further enhancement of the above, the Company's comprehensive internal audit program is designed for continual evaluation of the adequacy and effectiveness of its internal controls and measures adherence to established policies and procedures.

The Audit Committee of the Board of Directors is comprised of three directors who are not employees of the Company. The Committee reviews audit plans, internal controls, financial reports and related matters, and meets regularly with management, internal auditors and independent accountants. The independent accountants and internal auditors have free access to the Audit Committee, without management being present, to discuss the results of their audits or any other matters.

The independent accountants, Price Waterhouse LLP, are recommended by the Audit Committee of the Board of Directors and selected by the Board of Directors, and their appointment is ratified by the shareholders. The independent accountants have examined the financial statements of the Company and their opinion is presented on page 48.

REPORT OF INDEPENDENT ACCOUNTANTS ON FINANCIAL STATEMENT SCHEDULES

EXHIBIT 23

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

Our audits of the consolidated financial statements referred to in our report dated February 14, 1997 appearing in the 1996 Annual Report to Stockholders of The Interpublic Group of Companies, Inc. (which report and consolidated financial statements are incorporated by reference in this Annual Report on Form 10-K) also included an audit of the Financial Statement Schedules listed in Item 14 (a) of this Form 10-K. In our opinion, these Financial Statement Schedules present fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

PRICE WATERHOUSE LLP
New York, New York
February 14, 1997

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 of The Interpublic Group of Companies, Inc. (the "Company"), of our report dated February 14, 1997, appearing in the 1996 Annual Report to Stockholders which is incorporated in this Annual Report on Form 10-K: Registration Statements No. 2-79071; No. 2-43811; No. 2-56269; No. 2-61346; No. 2-64338; No. 2-67560; No. 2-72093; No. 2-88165; No. 2-90878, No. 2-97440 and No. 33-28143, relating variously to the Stock Option Plan (1971), the Stock Option Plan (1981), the Stock Option Plan (1988) and the Achievement Stock Award Plan of the Company; Registration Statements No. 2-53544; No. 2-91564, No. 2-98324, No. 33-22008, No. 33-64062 and No. 33-61371, relating variously to the Employee Stock Purchase Plan (1975), the Employee Stock Purchase Plan (1985) and the Employee Stock Purchase Plan of the Company (1995); Registration Statements No. 33-20291 and No. 33-2830 relating to the Management Incentive Compensation Plan of the Company; Registration Statements No. 33-5352, No. 33-21605, 333-4747 and 333-23603 relating to the 1986 Stock Incentive Plan, the 1986 United Kingdom Stock Option Plan and the 1996 Stock Incentive Plan, of the Company; and Registration Statements No. 33-10087 and No. 33-25555 relating to the Long-Term Performance Incentive Plan of the Company. We hereby consent to the incorporation by reference in the Prospectuses constituting part of the Registration Statements on Form S-3 (No. 33-37346 and 333-22899) of The Interpublic Group of Companies, Inc. of our report dated February 14, 1997 appearing in the 1996 Annual Report to Stockholders which is incorporated in this Annual Report on Form 10-K. We also consent to the incorporation by reference of our report on the Financial Statement Schedules, which appears above.

PRICE WATERHOUSE LLP
New York, New York
May 20, 1997