



Interpublic Group

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# **SECOND QUARTER 2015 EARNINGS CONFERENCE CALL**

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July 22, 2015

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# Overview – Second Quarter 2015

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- Organic revenue growth was 6.7%
  - Net acquisitions added 0.3%
  - Currency exchange rate changes were negative 5.7%
  - Total revenue increase was 1.3%
- Operating margin was 11.5%, an improvement of 90 basis points
- Operating income was \$216 million, an increase of 10%
- Diluted EPS was \$0.29, a 16% increase excluding early debt redemption charge from last year's Q2
- First half organic growth was 6.2% and margin expanded 100 bps

# Operating Performance

	Three Months Ended June 30,	
	2015	2014
<i>Revenue</i>	\$ 1,876.1	\$ 1,851.4
Salaries and Related Expenses	1,205.2	1,170.2
Office and General Expenses	455.1	485.4
<i>Operating Income</i>	215.8	195.8
Interest Expense	(20.3)	(22.6)
Interest Income	5.0	6.6
Other Income (Expense), net	0.5	(11.2)
<i>Income Before Income Taxes</i>	201.0	168.6
Provision for Income Taxes	77.7	65.3
Equity in Net Income of Unconsolidated Affiliates	0.5	0.4
<i>Net Income</i>	123.8	103.7
Net Income Attributable to Noncontrolling Interests	(2.6)	(4.3)
<i>Net Income Available to IPG Common Stockholders</i>	\$ 121.2	\$ 99.4

*Earnings per Share Available to IPG Common Stockholders:*

Basic	\$ 0.30	\$ 0.24
Diluted	\$ 0.29	\$ 0.23

*Weighted-Average Number of Common Shares Outstanding:*

Basic	410.5	421.1
Diluted	417.6	428.1

<i>Dividends Declared per Common Share</i>	\$ 0.120	\$ 0.095
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# Revenue

	Three Months Ended		Six Months Ended	
	\$	% Change	\$	% Change
<b>June 30, 2014</b>	<b>\$ 1,851.4</b>		<b>\$ 3,488.9</b>	
Total change	24.7	1.3%	63.2	1.8%
Foreign currency	(105.9)	(5.7%)	(177.8)	(5.1%)
Net acquisitions/(divestitures)	7.2	0.3%	24.5	0.7%
Organic	123.4	6.7%	216.5	6.2%
<b>June 30, 2015</b>	<b>\$ 1,876.1</b>		<b>\$ 3,552.1</b>	

	Three Months Ended June 30,				Six Months Ended June 30,			
			Change				Change	
	2015	2014	Total	Organic	2015	2014	Total	Organic
<b>IAN</b>	\$ 1,526.7	\$ 1,496.0	2.1%	7.7%	\$ 2,876.6	\$ 2,811.7	2.3%	7.2%
<b>CMG</b>	\$ 349.4	\$ 355.4	(1.7%)	2.3%	\$ 675.5	\$ 677.2	(0.3%)	2.0%

Integrated Agency Networks (“IAN”): McCann Worldgroup, FCB (Foote, Cone & Belding), Mullen Lowe Group, IPG Mediabrands, our digital specialist agencies and our domestic integrated agencies  
 Constituency Management Group (“CMG”): Weber Shandwick, Golin, Jack Morton, FutureBrand, Octagon and our other marketing service specialists

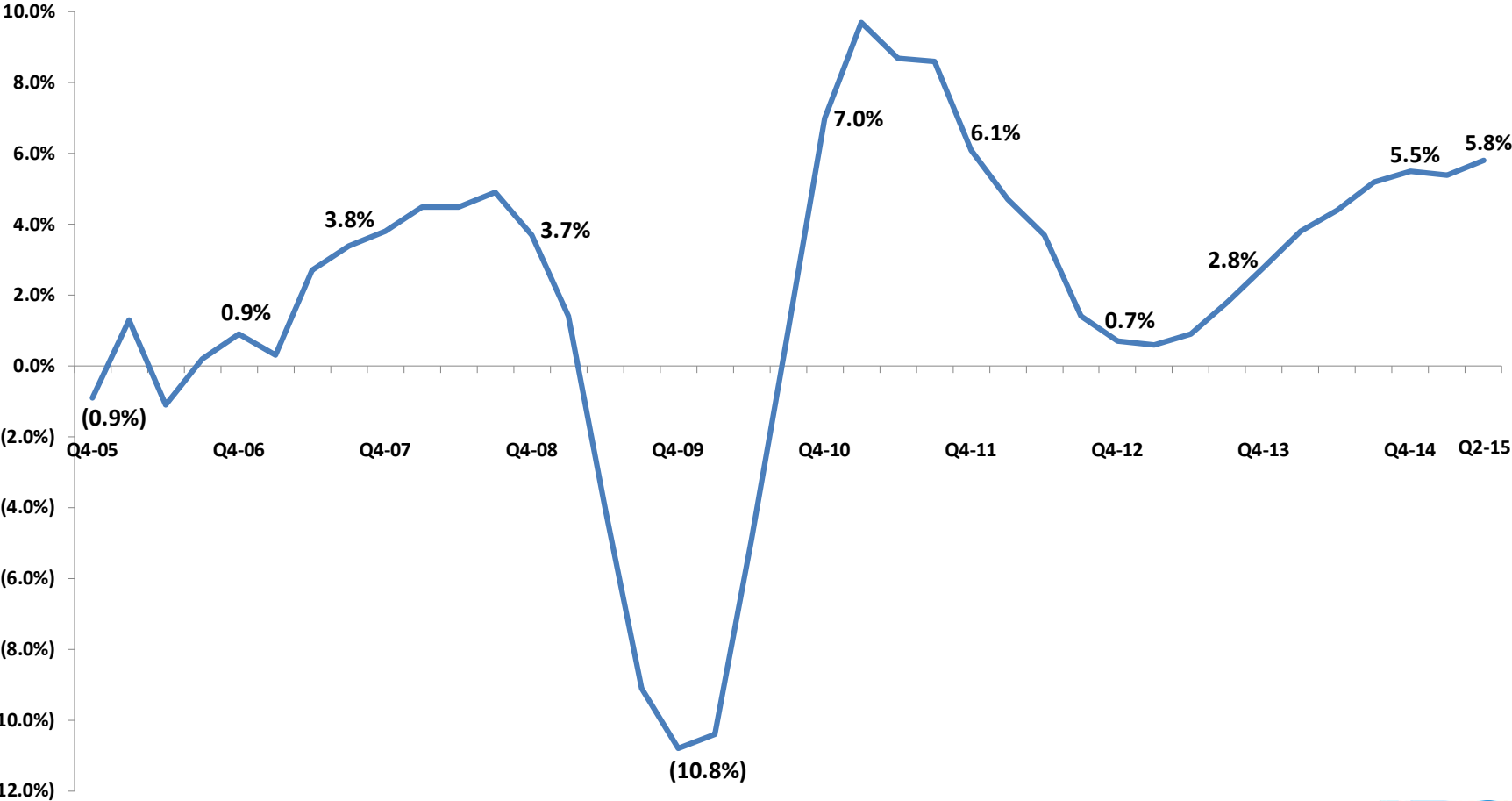
# Geographic Revenue Change

	Three Months Ended June 30, 2015		Six Months Ended June 30, 2015	
	Total	Organic	Total	Organic
United States	7.9%	7.7%	7.4%	7.0%
International	(6.9%)	5.3%	(5.5%)	5.2%
United Kingdom	(1.4%)	7.9%	(1.5%)	7.1%
Continental Europe	(13.0%)	3.6%	(10.5%)	3.6%
Asia Pacific	3.4%	11.8%	1.6%	9.1%
Latin America	(22.2%)	(1.6%)	(18.8%)	(1.2%)
All Other Markets	(8.2%)	(0.7%)	(3.3%)	3.9%
<b>Worldwide</b>	<b>1.3%</b>	<b>6.7%</b>	<b>1.8%</b>	<b>6.2%</b>

“All Other Markets” includes Canada, Africa and the Middle East.

# Organic Revenue Growth

## Trailing Twelve Months



# Expenses

## Salaries & Related

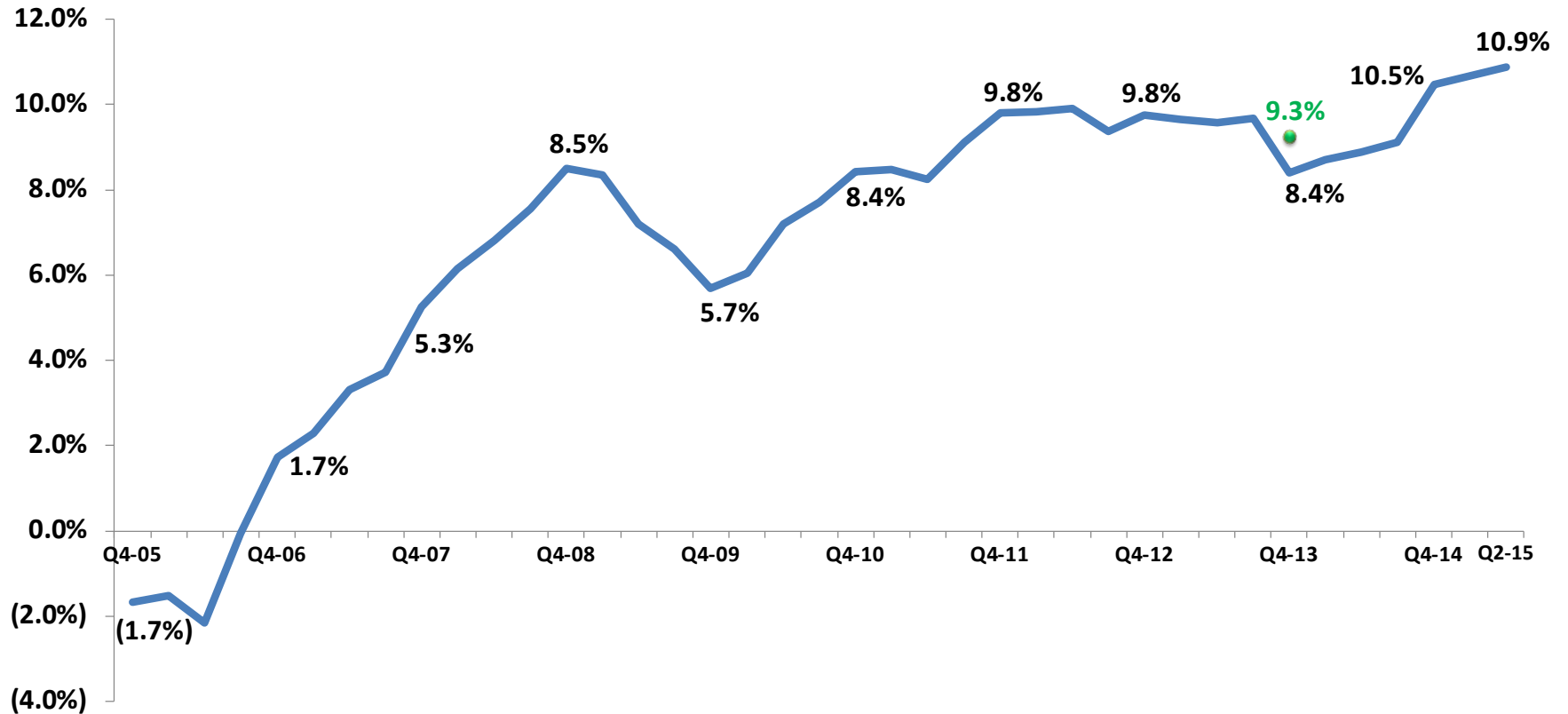
	2015		2014		Change			
	\$		\$		\$			
Three Months Ended June 30,	\$	1,205.2	\$	1,170.2	\$	35.0	3.0%	8.5%
<i>% of Revenue</i>		64.2%		63.2%				
Three months severance	\$	16.9	\$	16.1	\$	0.8	5.0%	
<i>% of Revenue</i>		0.9%		0.9%				
Six Months Ended June 30,	\$	2,420.4	\$	2,358.8	\$	61.6	2.6%	7.1%
<i>% of Revenue</i>		68.1%		67.6%				
Six months severance	\$	34.2	\$	36.5	\$	(2.3)	(6.3%)	
<i>% of Revenue</i>		1.0%		1.0%				

## Office & General

	2015		2014		Change			
	\$		\$		\$			
Three Months Ended June 30,	\$	455.1	\$	485.4	\$	(30.3)	(6.2%)	(1.1%)
<i>% of Revenue</i>		24.3%		26.2%				
Three months occupancy expense (ex-D&A)	\$	110.3	\$	125.7	\$	(15.4)	(12.3%)	
<i>% of Revenue</i>		5.9%		6.8%				
Six Months Ended June 30,	\$	908.1	\$	946.0	\$	(37.9)	(4.0%)	0.5%
<i>% of Revenue</i>		25.6%		27.1%				
Six months occupancy expense (ex-D&A)	\$	232.0	\$	252.9	\$	(20.9)	(8.3%)	
<i>% of Revenue</i>		6.5%		7.2%				

# Operating Margin

## Trailing Twelve Months



For the twelve months ended December 31, 2013, reported operating income of \$598.3 includes our Q4 2013 restructuring charge of \$60.6. Excluding this charge, adjusted operating income was \$658.9, and adjusted operating margin is represented in green.



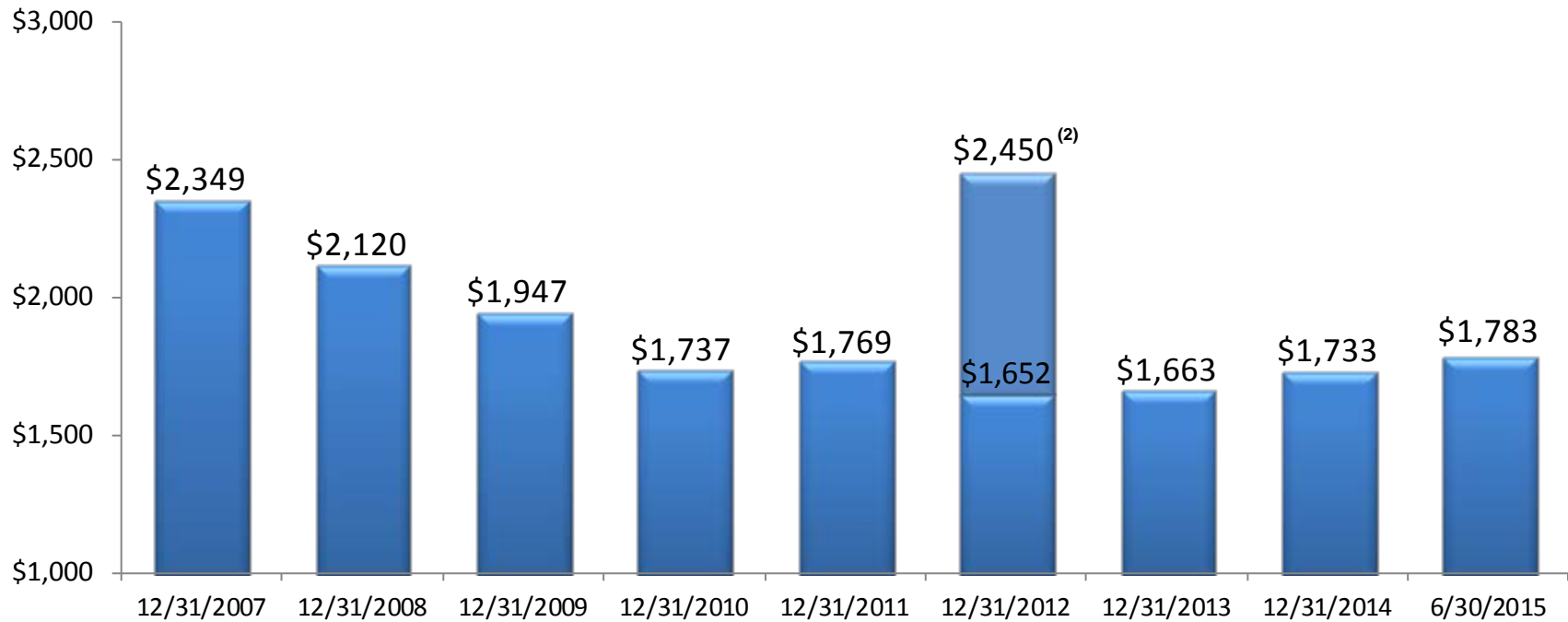
# Balance Sheet – Current Portion

	June 30, 2015	December 31, 2014	June 30, 2014
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	\$ 848.9	\$ 1,660.6	\$ 895.1
Marketable securities	6.7	6.6	6.3
Accounts receivable, net	3,976.7	4,376.6	4,272.3
Expenditures billable to clients	1,452.4	1,424.2	1,798.6
Other current assets	352.7	342.2	429.3
<b>Total current assets</b>	<b>\$ 6,637.4</b>	<b>\$ 7,810.2</b>	<b>\$ 7,401.6</b>
<b>CURRENT LIABILITIES:</b>			
Accounts payable	\$ 5,669.8	\$ 6,558.0	\$ 6,414.8
Accrued liabilities	603.8	796.0	594.8
Short-term borrowings	158.0	107.2	126.2
Current portion of long-term debt	2.0	2.1	2.4
<b>Total current liabilities</b>	<b>\$ 6,433.6</b>	<b>\$ 7,463.3</b>	<b>\$ 7,138.2</b>

# Cash Flow

	<b>Three Months Ended June 30,</b>	
	<b>2015</b>	<b>2014</b>
<b>NET INCOME</b>	\$ 124	\$ 103
<b>OPERATING ACTIVITIES</b>		
Depreciation & amortization	57	52
Deferred taxes	32	30
Other non-cash items	5	15
Change in working capital, net	41	(24)
Other non-current assets & liabilities	1	(7)
<b>Net cash provided by Operating Activities</b>	<b>260</b>	<b>169</b>
<b>INVESTING ACTIVITIES</b>		
Capital expenditures	(30)	(32)
Acquisitions & deferred payments, net	-	(29)
Business, investment & fixed asset purchases/sales, net	-	9
<b>Net cash used in Investing Activities</b>	<b>(30)</b>	<b>(52)</b>
<b>FINANCING ACTIVITIES</b>		
Repurchase of common stock	(51)	(52)
Common stock dividends	(50)	(40)
Acquisition-related payments	(26)	(6)
Distributions to noncontrolling interests	(7)	(6)
Purchase of long-term debt	(1)	(350)
Proceeds from issuance of long-term debt	-	499
Exercise of stock options	2	5
Net increase (decrease) in short-term bank borrowings	21	(46)
Other financing activities	3	(2)
<b>Net cash (used in) provided by Financing Activities</b>	<b>(109)</b>	<b>2</b>
Currency Effect	(7)	6
<b>Increase in Cash &amp; S/T Marketable Securities</b>	<b>\$ 114</b>	<b>\$ 125</b>

# Total Debt (1)



(1) Includes current portion of long-term debt, short-term borrowings and long-term debt.

(2) Includes our November 2012 debt issuances of \$800 aggregate principal amount of Senior Notes, which pre-funded our plan to redeem a similar amount of debt in 2013.

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# Summary

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- Very solid performance against FY-15 financial objectives
- Traction from key strategic drivers
  - Quality of our agency offerings
  - Strength in high-growth disciplines and largest regions
  - Effective expense management
- Continue focus on margin improvement
- Financial strength/share repurchase continues to be a source of value creation



Interpublic Group

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# Appendix

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# Operating Performance

	Six Months Ended June 30,	
	2015	2014
<i>Revenue</i>	\$ 3,552.1	\$ 3,488.9
Salaries and Related Expenses	2,420.4	2,358.8
Office and General Expenses	908.1	946.0
<i>Operating Income</i>	223.6	184.1
Interest Expense	(41.2)	(42.8)
Interest Income	12.2	12.8
Other Income (Expense), net	0.8	(9.5)
<i>Income Before Income Taxes</i>	195.4	144.6
Provision for Income Taxes	76.3	63.6
Equity in Net Income of Unconsolidated Affiliates	0.5	0.3
<i>Net Income</i>	119.6	81.3
Net Income Attributable to Noncontrolling Interests	(0.2)	(2.8)
<i>Net Income Available to IPG Common Stockholders</i>	\$ 119.4	\$ 78.5

## *Earnings per Share Available to IPG Common Stockholders:*

Basic	\$ 0.29	\$ 0.19
Diluted	\$ 0.29	\$ 0.18

## *Weighted-Average Number of Common Shares Outstanding:*

Basic	410.8	421.9
Diluted	417.6	428.5

<i>Dividends Declared per Common Share</i>	\$ 0.24	\$ 0.19
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# Cash Flow

	Six Months Ended June 30,	
	2015	2014
<b>NET INCOME</b>	\$ 120	\$ 81
<b>OPERATING ACTIVITIES</b>		
Depreciation & amortization	114	109
Deferred taxes	-	7
Other non-cash items	18	22
Change in working capital, net	(760)	(747)
Other non-current assets & liabilities	(29)	(29)
<b>Net cash used in Operating Activities</b>	<b>(537)</b>	<b>(557)</b>
<b>INVESTING ACTIVITIES</b>		
Capital expenditures	(50)	(59)
Acquisitions & deferred payments, net	-	(51)
Business, investment & fixed asset purchases/sales, net	-	11
<b>Net cash used in Investing Activities</b>	<b>(50)</b>	<b>(99)</b>
<b>FINANCING ACTIVITIES</b>		
Repurchase of common stock	(102)	(97)
Common stock dividends	(99)	(80)
Acquisition-related payments	(28)	(9)
Distributions to noncontrolling interests	(8)	(12)
Purchase of long-term debt	(1)	(350)
Proceeds from issuance of long-term debt	-	499
Excess tax benefit from share-based payment arrangements	9	4
Exercise of stock options	11	11
Net increase (decrease) in short-term bank borrowings	55	(53)
Other financing activities	3	(2)
<b>Net cash used in Financing Activities</b>	<b>(160)</b>	<b>(89)</b>
Currency Effect	(65)	4
<b>Decrease in Cash &amp; S/T Marketable Securities</b>	<b>\$ (812)</b>	<b>\$ (741)</b>

# Depreciation and Amortization

	2015				
	Q1	Q2	Q3	Q4	YTD 2015
Depreciation and amortization of fixed assets and intangible assets	\$ 38.7	\$ 39.5			\$ 78.2
Amortization of restricted stock and other non-cash compensation	16.8	16.4			33.2
Net amortization of bond discounts and deferred financing costs	1.4	1.4			2.8

	2014				
	Q1	Q2	Q3	Q4	FY 2014
Depreciation and amortization of fixed assets and intangible assets	\$ 40.5	\$ 40.2	\$ 41.0	\$ 41.3	\$ 163.0
Amortization of restricted stock and other non-cash compensation	15.1	11.1	11.7	16.4	54.3
Net amortization of bond discounts and deferred financing costs	1.0	1.3	1.4	1.4	5.1



# Reconciliation of Organic Measures

	Three Months Ended June 30, 2014	Components of Change			Three Months Ended June 30, 2015	Change	
		Foreign Currency	Net Acquisitions / (Divestitures)	Organic		Organic	Total
<b>Segment Revenue</b>							
IAN	\$ 1,496.0	\$ (91.9)	\$ 7.2	\$ 115.4	\$ 1,526.7	7.7%	2.1%
CMG	355.4	(14.0)	-	8.0	349.4	2.3%	(1.7%)
Total	<u>\$ 1,851.4</u>	<u>\$ (105.9)</u>	<u>\$ 7.2</u>	<u>\$ 123.4</u>	<u>\$ 1,876.1</u>	<u>6.7%</u>	<u>1.3%</u>
<b>Geographic</b>							
United States	\$ 1,030.9	\$ -	\$ 1.4	\$ 79.8	\$ 1,112.1	7.7%	7.9%
International	820.5	(105.9)	5.8	43.6	764.0	5.3%	(6.9%)
United Kingdom	159.0	(14.8)	-	12.5	156.7	7.9%	(1.4%)
Continental Europe	203.8	(39.6)	5.8	7.4	177.4	3.6%	(13.0%)
Asia Pacific	224.1	(18.8)	-	26.4	231.7	11.8%	3.4%
Latin America	116.3	(23.9)	-	(1.9)	90.5	(1.6%)	(22.2%)
All Other Markets	117.3	(8.8)	-	(0.8)	107.7	(0.7%)	(8.2%)
Worldwide	<u>\$ 1,851.4</u>	<u>\$ (105.9)</u>	<u>\$ 7.2</u>	<u>\$ 123.4</u>	<u>\$ 1,876.1</u>	<u>6.7%</u>	<u>1.3%</u>
<b>Expenses</b>							
Salaries & Related	\$ 1,170.2	\$ (68.8)	\$ 4.9	\$ 98.9	\$ 1,205.2	8.5%	3.0%
Office & General	485.4	(26.2)	1.1	(5.2)	455.1	(1.1%)	(6.2%)
Total	<u>\$ 1,655.6</u>	<u>\$ (95.0)</u>	<u>\$ 6.0</u>	<u>\$ 93.7</u>	<u>\$ 1,660.3</u>	<u>5.7%</u>	<u>0.3%</u>

# Reconciliation of Organic Measures

	Six Months Ended June 30, 2014	Components of Change			Six Months Ended June 30, 2015	Change	
		Foreign Currency	Net Acquisitions / (Divestitures)	Organic		Organic	Total
<b>Segment Revenue</b>							
IAN	\$ 2,811.7	\$ (152.3)	\$ 14.0	\$ 203.2	\$ 2,876.6	7.2%	2.3%
CMG	677.2	(25.5)	10.5	13.3	675.5	2.0%	(0.3%)
Total	<u>\$ 3,488.9</u>	<u>\$ (177.8)</u>	<u>\$ 24.5</u>	<u>\$ 216.5</u>	<u>\$ 3,552.1</u>	<u>6.2%</u>	<u>1.8%</u>
<b>Geographic</b>							
United States	\$ 1,969.9	\$ -	\$ 9.0	\$ 137.0	\$ 2,115.9	7.0%	7.4%
International	1,519.0	(177.8)	15.5	79.5	1,436.2	5.2%	(5.5%)
United Kingdom	326.6	(28.2)	-	23.2	321.6	7.1%	(1.5%)
Continental Europe	371.5	(67.9)	15.7	13.2	332.5	3.6%	(10.5%)
Asia Pacific	412.7	(30.8)	(0.1)	37.7	419.5	9.1%	1.6%
Latin America	206.9	(36.3)	(0.1)	(2.5)	168.0	(1.2%)	(18.8%)
All Other Markets	201.3	(14.6)	-	7.9	194.6	3.9%	(3.3%)
Worldwide	<u>\$ 3,488.9</u>	<u>\$ (177.8)</u>	<u>\$ 24.5</u>	<u>\$ 216.5</u>	<u>\$ 3,552.1</u>	<u>6.2%</u>	<u>1.8%</u>
<b>Expenses</b>							
Salaries & Related	\$ 2,358.8	\$ (122.3)	\$ 17.2	\$ 166.7	\$ 2,420.4	7.1%	2.6%
Office & General	946.0	(47.1)	4.6	4.6	908.1	0.5%	(4.0%)
Total	<u>\$ 3,304.8</u>	<u>\$ (169.4)</u>	<u>\$ 21.8</u>	<u>\$ 171.3</u>	<u>\$ 3,328.5</u>	<u>5.2%</u>	<u>0.7%</u>

# Reconciliation of Organic Revenue Growth

Last Twelve Months Ending	Beginning of Period Revenue	Components of Change During the Period			End of Period Revenue
		Foreign Currency	Net Acquisitions / (Divestitures)	Organic	
12/31/05	\$ 6,387.0	\$ 40.4	\$ (107.4)	\$ (56.2)	\$ 6,263.8
3/31/06	6,323.8	(10.9)	(132.6)	81.5	6,261.8
6/30/06	6,418.4	(8.8)	(157.5)	(68.5)	6,183.6
9/30/06	6,335.9	(13.9)	(140.4)	15.6	6,197.2
12/31/06	6,263.8	20.7	(165.5)	57.8	6,176.8
3/31/07	6,261.8	78.4	(147.2)	16.0	6,209.0
6/30/07	6,183.6	102.4	(124.7)	166.6	6,327.9
9/30/07	6,197.2	137.3	(110.9)	209.2	6,432.8
12/31/07	6,176.8	197.5	(70.7)	233.1	6,536.7
3/31/08	6,209.0	217.8	(45.9)	280.6	6,661.5
6/30/08	6,327.9	244.8	(12.6)	282.4	6,842.5
9/30/08	6,432.8	237.4	32.8	317.2	7,020.2
12/31/08	6,536.7	71.5	87.6	243.0	6,938.8
3/31/09	6,661.5	(88.3)	114.7	91.9	6,779.8
6/30/09	6,842.5	(286.2)	139.2	(275.3)	6,420.2
9/30/09	7,020.2	(390.1)	115.2	(636.4)	6,108.9
12/31/09	6,938.8	(251.6)	69.1	(748.9)	6,007.4
3/31/10	6,779.8	(88.2)	36.0	(705.4)	6,022.2
6/30/10	6,420.2	59.1	2.0	(316.9)	6,164.4
9/30/10	6,108.9	117.7	9.6	60.1	6,296.3
12/31/10	6,007.4	63.3	17.0	419.6	6,507.3
3/31/11	6,022.2	21.0	18.2	583.7	6,645.1
6/30/11	6,164.4	61.5	12.4	535.8	6,774.1
9/30/11	6,296.3	119.1	(7.7)	539.5	6,947.2
12/31/11	6,507.3	122.2	(8.6)	393.7	7,014.6
3/31/12	6,645.1	92.9	(1.4)	310.0	7,046.6
6/30/12	6,774.1	(14.3)	14.5	247.3	7,021.6
9/30/12	6,947.2	(117.2)	39.7	95.8	6,965.5
12/31/12	7,014.6	(147.6)	41.8	47.4	6,956.2
3/31/13	7,046.6	(143.7)	48.2	41.3	6,992.4
6/30/13	7,021.6	(111.4)	56.9	65.8	7,032.9
9/30/13	6,965.5	(80.3)	49.5	128.2	7,062.9
12/31/13	6,956.2	(80.4)	50.3	196.2	7,122.3
3/31/14	6,992.4	(89.9)	51.2	263.1	7,216.8
6/30/14	7,032.9	(80.6)	51.6	308.1	7,312.0
9/30/14	7,062.9	(53.5)	74.3	369.0	7,452.7
12/31/14	7,122.3	(75.5)	95.3	395.0	7,537.1
3/31/15	7,216.8	(125.7)	98.4	386.1	7,575.6
6/30/15	7,312.0	(223.5)	85.3	426.5	7,600.3

# Reconciliation of Loss on Early Extinguishment of Debt (1)

	Three Months Ended June 30, 2014			Six Months Ended June 30, 2014		
	As Reported	Loss on Early Extinguishment of Debt (2)	Ex - Loss on Early Extinguishment of Debt	As Reported	Loss on Early Extinguishment of Debt (2)	Ex - Loss on Early Extinguishment of Debt
Income Before Income Taxes	\$ 168.6	\$ (10.4)	\$ 179.0	\$ 144.6	\$ (10.4)	\$ 155.0
Provision for Income Taxes	(65.3)	3.8	(69.1)	(63.6)	3.8	(67.4)
<b>Effective Tax Rate</b>	<b>38.7%</b>		<b>38.6%</b>	<b>44.0%</b>		<b>43.5%</b>
Equity in Net Income of Unconsolidated Affiliates	0.4		0.4	0.3		0.3
Net Income Attributable to Noncontrolling Interests	(4.3)		(4.3)	(2.8)		(2.8)
<b>Net Income Available to IPG Common Stockholders - Basic and Diluted</b>	<b>\$ 99.4</b>	<b>\$ (6.6)</b>	<b>\$ 106.0</b>	<b>\$ 78.5</b>	<b>\$ (6.6)</b>	<b>\$ 85.1</b>
<b>Weighted-Average Number of Common Shares Outstanding - Basic</b>	421.1		421.1	421.9		421.9
Add: Effect of Dilutive Securities						
Restricted Stock, Stock Options and Other Equity Awards	7.0		7.0	6.6		6.6
<b>Weighted-Average Number of Common Shares Outstanding - Diluted</b>	<b>428.1</b>		<b>428.1</b>	<b>428.5</b>		<b>428.5</b>
<b>Earnings Per Share Available to IPG Common Stockholders - Basic</b>	<b>\$ 0.24</b>	<b>\$ (0.01)</b>	<b>\$ 0.25</b>	<b>\$ 0.19</b>	<b>\$ (0.01)</b>	<b>\$ 0.20</b>
<b>Earnings Per Share Available to IPG Common Stockholders - Diluted</b>	<b>\$ 0.23</b>	<b>\$ (0.02)</b>	<b>\$ 0.25</b>	<b>\$ 0.18</b>	<b>\$ (0.02)</b>	<b>\$ 0.20</b>

(1) In May 2014, we redeemed \$350 in aggregate principal amount of our 6.25% Notes.

(2) Loss on early extinguishment of debt of \$10.4, primarily due to a redemption premium.



Interpublic Group

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# Metrics Update

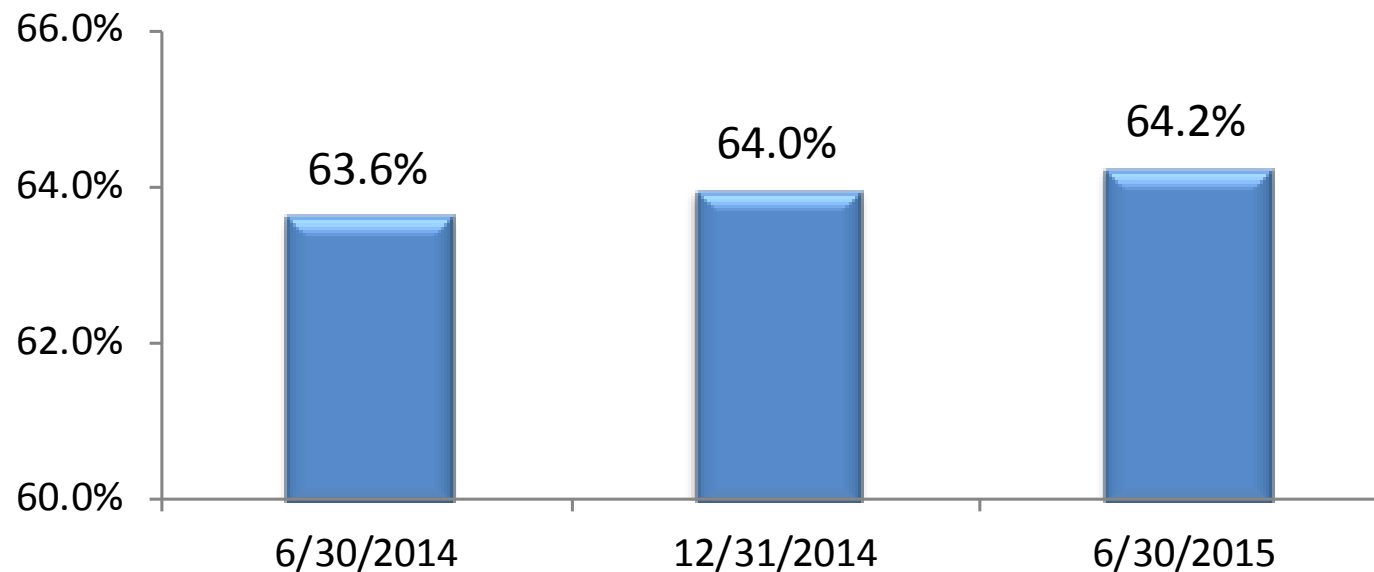
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# Metrics Update

<b>Category</b>	<b>Metric</b>
SALARIES & RELATED (% of revenue)	Trailing Twelve Months Base, Benefits & Tax Incentive Expense Severance Expense Temporary Help
OFFICE & GENERAL (% of revenue)	Trailing Twelve Months Professional Fees Occupancy Expense (ex-D&A) T&E, Office Supplies & Telecom All Other O&G
FINANCIAL	Available Liquidity \$1.0 Billion 5-Year Credit Facility Covenants

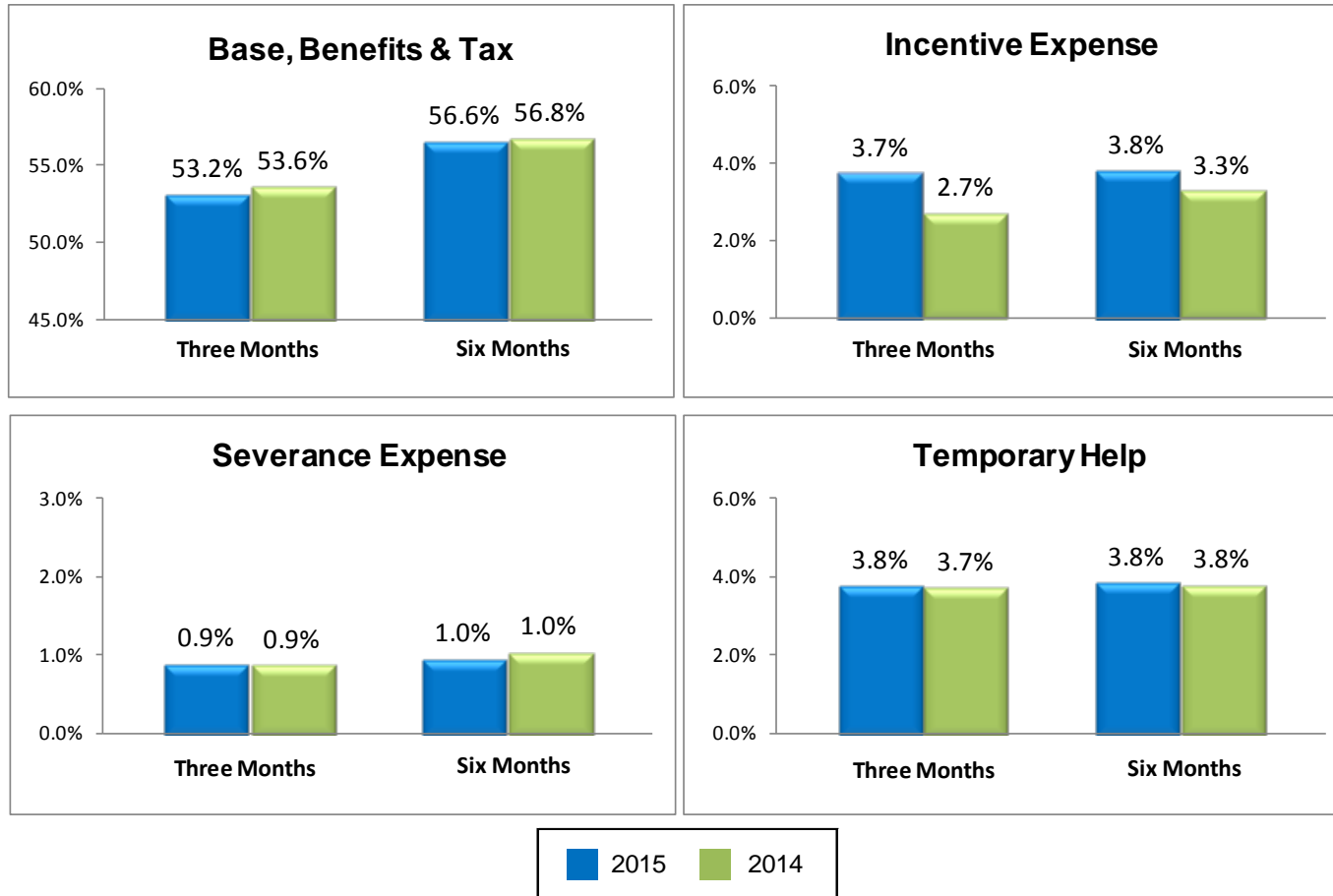
# Salaries & Related Expenses

## % of Revenue, Trailing Twelve Months



# Salaries & Related Expenses (% of Revenue)

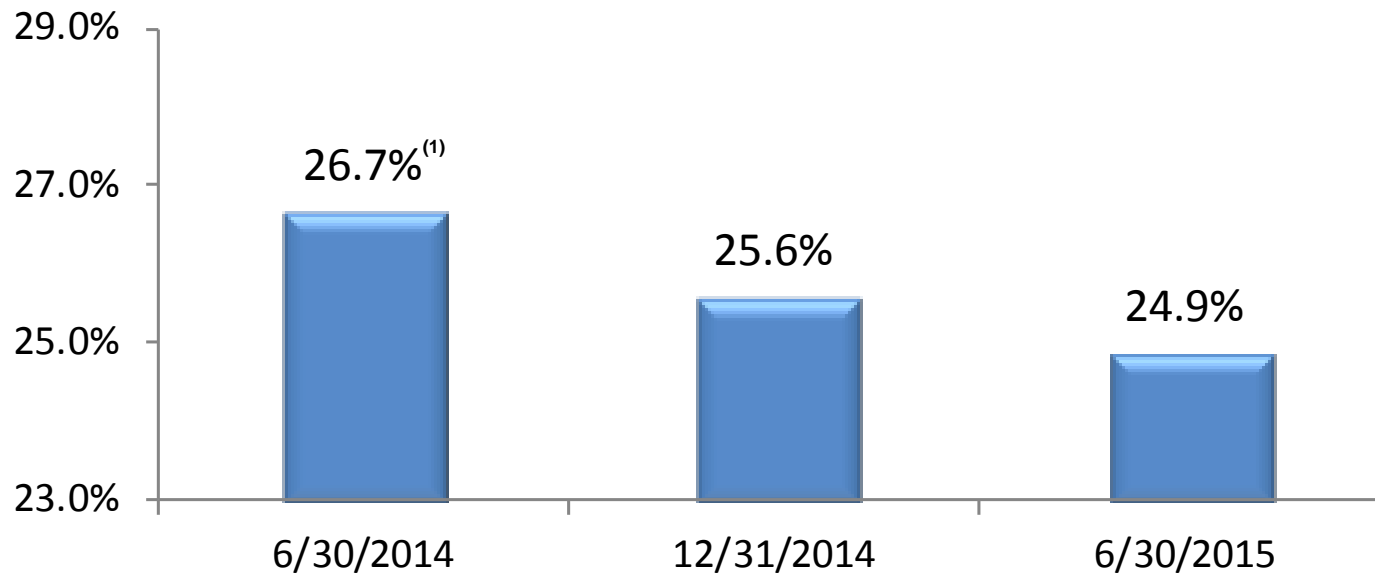
## Three and Six Months Ended June 30





# Office & General Expenses

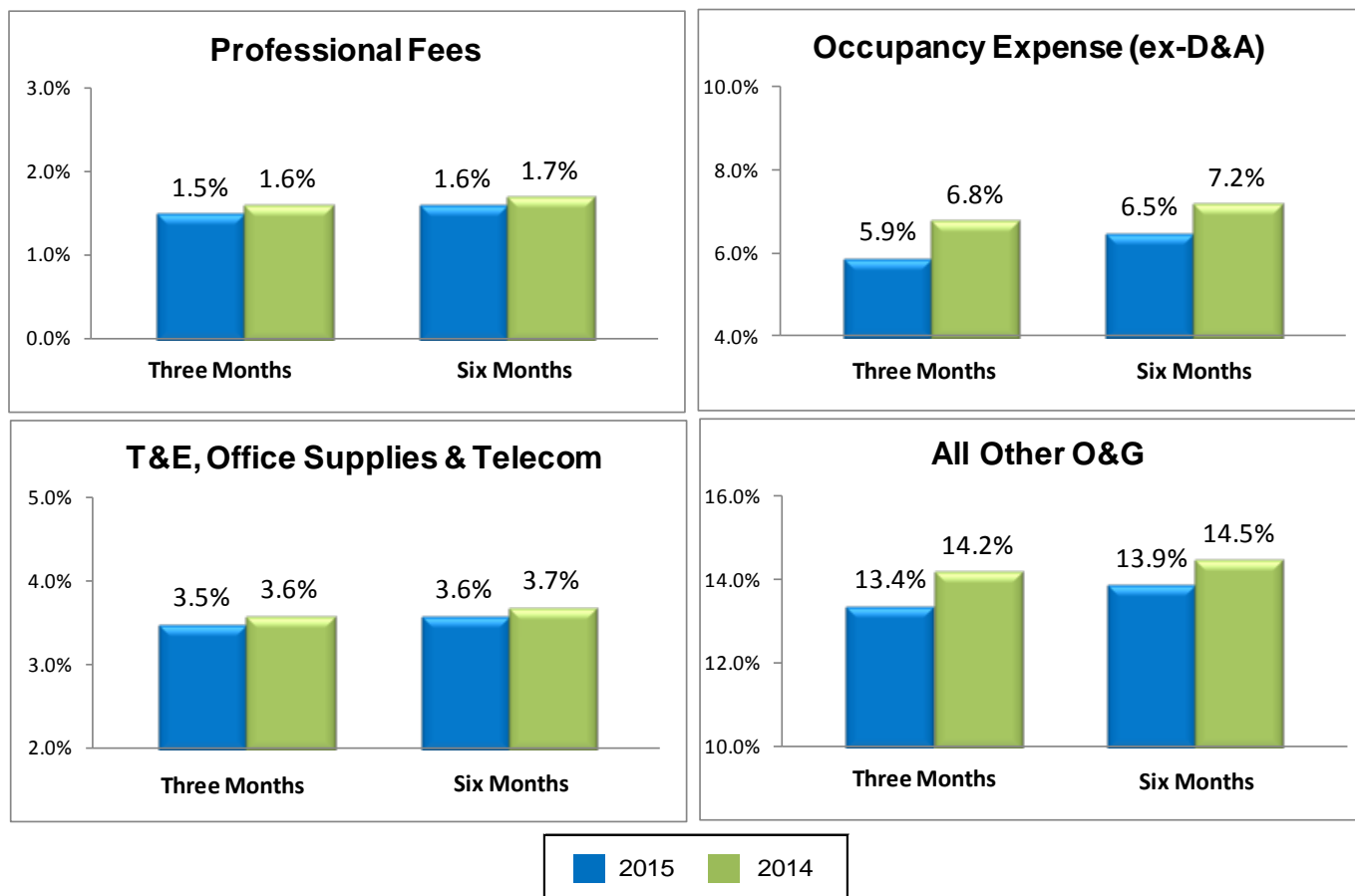
## % of Revenue, Trailing Twelve Months



<sup>(1)</sup> Office & general expenses excludes our Q4 2013 restructuring charge, which was recorded as a separate line item in our income statement.

# Office & General Expenses (% of Revenue)

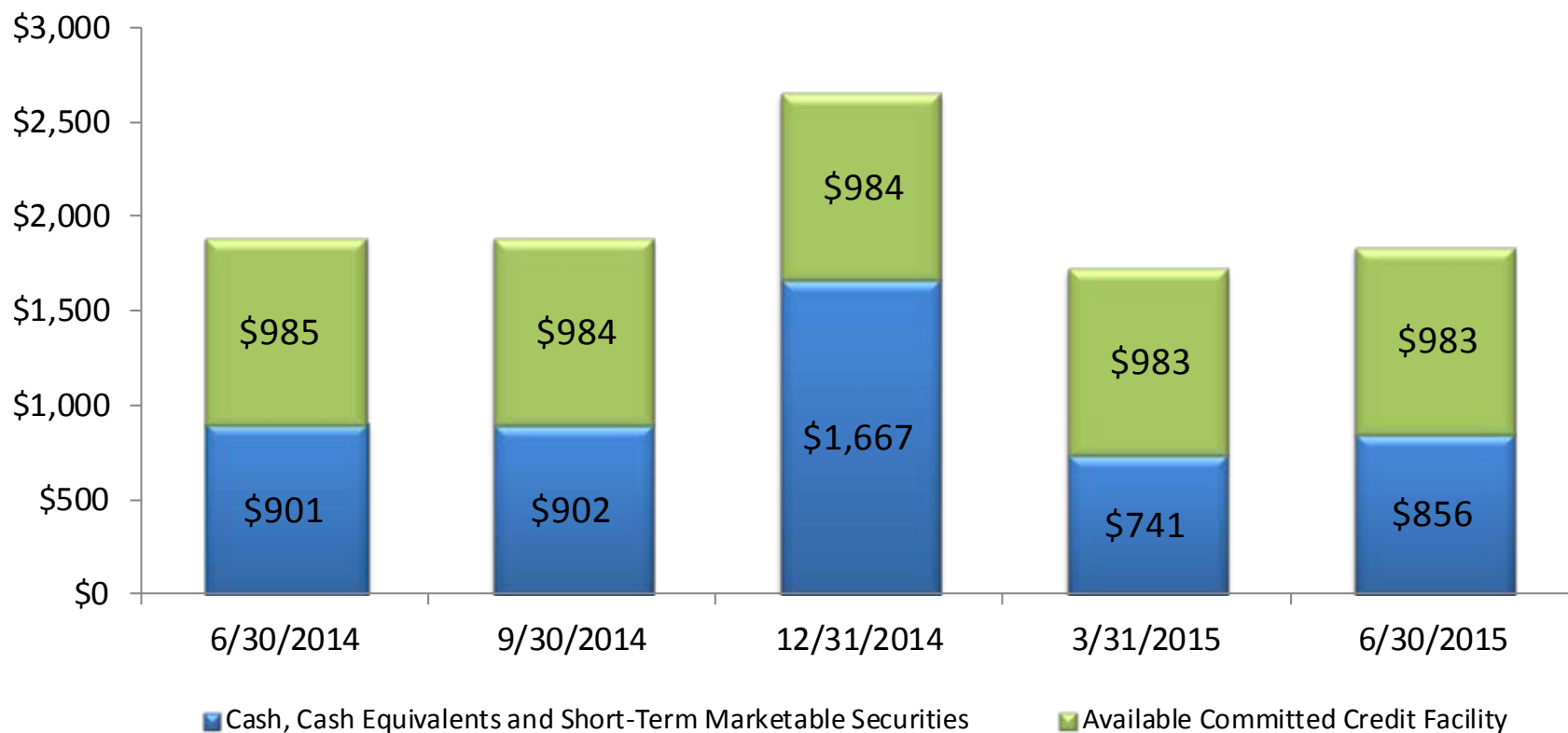
## Three and Six Months Ended June 30



“All Other O&G” includes production expenses, depreciation and amortization, bad debt expense, adjustments for contingent acquisition obligations, foreign currency (gains) losses, restructuring and other reorganization-related charges (reversals), long-lived asset impairments and other expenses.

# Available Liquidity

## Cash, Cash Equivalents and Short-Term Marketable Securities + Available Committed Credit Facility



# \$1.0 Billion 5-Year Credit Facility Covenants

<u>Covenants</u>	<u>Last Twelve Months Ending June 30, 2015</u>
I. Interest Coverage Ratio (not less than):	5.00x
Actual Interest Coverage Ratio:	19.30x
II. Leverage Ratio (not greater than):	3.25x
Actual Leverage Ratio:	1.70x
<u>Interest Coverage Ratio - Interest Expense Reconciliation</u>	<u>Last Twelve Months Ending June 30, 2015</u>
Interest Expense:	\$83.3
- Interest income	26.8
- Other	2.1
Net interest expense <sup>(1)</sup> :	<u>\$54.4</u>
<u>EBITDA Reconciliation</u>	<u>Last Twelve Months Ending June 30, 2015</u>
Operating Income:	\$827.9
+ Depreciation and amortization	221.8
EBITDA <sup>(1)</sup> :	<u>\$1,049.7</u>

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# Cautionary Statement

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This investor presentation contains forward-looking statements. Statements in this investor presentation that are not historical facts, including statements about management's beliefs and expectations, constitute forward-looking statements. These statements are based on current plans, estimates and projections, and are subject to change based on a number of factors, including those outlined in our most recent Annual Report on Form 10-K under Item 1A, Risk Factors. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

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

- potential effects of a challenging economy, for example, on the demand for our advertising and marketing services, on our clients' financial condition and on our business or financial condition;
- our ability to attract new clients and retain existing clients;
- our ability to retain and attract key employees;
- risks associated with assumptions we make in connection with our critical accounting estimates, including changes in assumptions associated with any effects of a weakened economy;
- potential adverse effects if we are required to recognize impairment charges or other adverse accounting-related developments;
- risks associated with the effects of global, national and regional economic and political conditions, including counterparty risks and fluctuations in economic growth rates, interest rates and currency exchange rates; and
- developments from changes in the regulatory and legal environment for advertising and marketing and communications services companies around the world.

Investors should carefully consider these factors and the additional risk factors outlined in more detail in our most recent Annual Report on Form 10-K under Item 1A, Risk Factors.