

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

(Mark One)

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

For the quarterly period ending September 30, 1996

OR

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

For the transition period from _____ to _____

Commission file number 1-6686

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

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

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

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

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

Yes ☒ No ☐

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

Common Stock outstanding at October 31, 1996: 81,061,337
shares.

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THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES

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PART I - FINANCIAL INFORMATION

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES CONSOLIDATED BALANCE SHEET

(Dollars in Thousands)
ASSETS

	SEPTEMBER 30, 1996	DECEMBER 31, 1995
Current Assets:		
Cash and cash equivalents (includes certificates of deposit: 1996-\$81,613; 1995-\$114,182)	\$ 424,832	\$ 418,448
Marketable securities, at cost which approximates market	42,354	38,926
Receivables (less allowance for doubtful accounts: 1996-\$27,825; 1995-\$21,941)	2,211,655	2,320,248
Expenditures billable to clients	150,702	108,165
Prepaid expenses and other current assets	87,723	88,611
Total current assets	2,917,266	2,974,398
Other Assets:		
Investment in unconsolidated affiliates	92,580	119,473
Deferred taxes on income	91,601	103,497
Other investments and miscellaneous assets	180,586	144,963
Total other assets	364,767	367,933
Fixed Assets, at cost:		
Land and buildings	75,749	76,813
Furniture and equipment	398,484	360,653
	474,233	437,466
Less accumulated depreciation	266,552	240,274
	207,681	197,192
Unamortized leasehold improvements	83,658	82,075
Total fixed assets	291,339	279,267
Intangible Assets (less accumulated amortization: 1996-\$179,039; 1995-\$157,673)	702,798	638,168
Total assets	\$4,276,170	\$4,259,766

See accompanying notes to consolidated financial statements.

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

	SEPTEMBER 30, 1996	DECEMBER 31, 1995
Current Liabilities:		
Payable to banks	\$ 252,241	\$ 162,524
Accounts payable	2,189,350	2,291,208
Accrued expenses	225,238	256,408
Accrued income taxes	116,597	116,557
Total current liabilities	2,783,426	2,826,697
Noncurrent Liabilities:		
Long-term debt	184,192	170,262
Convertible subordinated debentures	114,456	113,235
Deferred compensation and reserve for termination liabilities	236,832	235,325
Accrued postretirement benefits	47,656	46,461
Other noncurrent liabilities	80,149	102,909
Minority interests in consolidated subsidiaries	18,775	15,171
Total noncurrent liabilities	682,060	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 - 90,688,247		
1995 - 89,630,568	9,069	8,963
Additional paid-in capital	474,441	446,931
Retained earnings	796,889	704,946
Adjustment for minimum pension liability	(9,088)	(9,088)
Cumulative translation adjustments	(102,068)	(93,436)
	1,169,243	1,058,316
Less:		
Treasury stock, at cost:		
1996 - 9,918,354 shares		
1995 - 10,002,567 shares	310,792	268,946
Unamortized expense of restricted stock grants	47,767	39,664
Total stockholders' equity	810,684	749,706
Total liabilities and stockholders' equity	\$4,276,170	\$4,259,766

See accompanying notes to consolidated financial statements.

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THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT
THREE MONTHS ENDED SEPTEMBER 30

(Dollars in Thousands Except Per Share Data)

	1996	1995
Revenue	\$554,981	\$ 476,308
Other income	12,737	16,178
Gross income	567,718	492,486
Costs and expenses:		
Operating expenses	509,036	444,909
Interest	10,304	10,502
Total costs and expenses	519,340	455,411
Income before provision for income taxes	48,378	37,075

Provision for income taxes:		
United States - federal	12,410	9,572
- state and local	4,253	1,984
Foreign	3,864	4,397
Total provision for income taxes	20,527	15,953
Income of consolidated companies	27,851	21,122
Loss applicable to minority interests	(2,495)	(757)
Equity in net income of unconsolidated affiliates	2,115	1,816
Net income	\$ 27,471	\$ 22,181
Weighted average number of common shares	81,049,187	78,172,381
Earnings per common and common equivalent share	\$.34	\$.28
Cash dividends per common share	\$.17	\$.155
See accompanying notes to consolidated financial statements.		

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

(Dollars in Thousands Except Per Share Data)

	1996	1995
Revenue	\$ 1,678,774	\$ 1,458,170
Other income	70,448	51,890
Gross income	1,749,222	1,510,060
Costs and expenses:		
Operating expenses	1,496,713	1,306,089
Interest	29,494	28,232
Total costs and expenses	1,526,207	1,334,321
Income before provision for income taxes	223,015	175,739
Provision for income taxes:		
United States - federal	46,799	32,473
- state and local	12,051	11,603
Foreign	36,051	30,834
Total provision for income taxes	94,901	74,910
Income of consolidated companies	128,114	100,829
Loss applicable to minority interests	(7,340)	(3,628)
Equity in net income of unconsolidated affiliates	7,456	3,924
Net income	\$ 128,230	\$ 101,125
Weighted average number of common shares	80,053,482	77,981,543
Earning per common and common equivalent share	\$ 1.60	\$ 1.30
Cash dividends per common share	\$.495	\$.450
See accompanying notes to consolidated financial statements.		

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

CASH FLOWS FROM OPERATING ACTIVITIES:	1996	1995
Net income	\$128,230	\$101,125
Adjustments to reconcile net income to cash provided by/(used in) operating activities:		
Depreciation and amortization of fixed assets	44,354	38,766
Amortization of intangible assets	21,366	20,706
Amortization of restricted stock awards	10,688	10,527
Equity in net income of unconsolidated affiliates	(7,456)	(3,924)
Income applicable to minority interests	7,340	3,628
Translation losses	2,131	2,779
Net gain from sale of investments	(8,100)	
Other	(3,592)	7,324
Changes in assets and liabilities, net of acquisitions:		
Receivables	148,687	140,984
Expenditures billable to clients	(39,412)	(30,067)
Prepaid expenses and other assets	85	(41,968)
Accounts payable and accrued expenses	(178,981)	(268,551)
Accrued income taxes	(4,487)	11,430
Deferred income taxes	(6,497)	(13,939)
Deferred compensation and reserve for termination liabilities	(1,187)	4,835
Net cash provided by/ (used in) operating activities	113,169	(16,345)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions	(64,653)	(68,702)
Proceeds from sale of investments	38,100	(656)
Capital expenditures	(49,673)	(47,163)
Net (purchases) of marketable securities	(5,649)	(2,474)
Other investments and miscellaneous assets	(20,634)	(5,103)
Unconsolidated affiliates	(6,878)	(7,520)
Net cash used in investing activities	(109,387)	(131,618)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in short-term borrowings	76,100	50,990
Proceeds from long-term debt	33,687	40,000
Payments of debt	(18,459)	(14,441)
Treasury stock acquired	(62,489)	(49,786)
Issuance of common stock	14,715	27,772
Cash dividends	(37,575)	(34,194)
Net cash provided by financing activities	5,979	20,341
Effect of exchange rates on cash and cash equivalents	(3,377)	14,775
Increase/(decrease) in cash and cash equivalents	6,384	(112,847)
Cash and cash equivalents at beginning of year	418,448	413,709
Cash and cash equivalents at end of period	\$424,832	\$300,862
See accompanying notes to consolidated financial statements.		

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

1. Consolidated Financial Statements

- (a) In the opinion of management, the consolidated balance sheet as of September 30, 1996, the consolidated income statements for the three months and nine months ended September 30, 1996 and 1995 and the consolidated statement of cash flows for the nine months ended September 30, 1996 and 1995, contain all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows at September 30, 1996 and for all periods presented.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been omitted. It is suggested that these

consolidated financial statements be read in conjunction with the consolidated financial statements and notes thereto included in The Interpublic Group of Companies, Inc.'s (the "Company's") December 31, 1995 annual report to stockholders.

- (b) Statement of Financial Accounting Standards (SFAS) No. 95 "Statement of Cash Flows" requires disclosures of specific cash payments and noncash investing and financing activities. The Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents. Income tax cash payments were approximately \$70 million and \$39.7 million in the first nine months of 1996 and 1995, respectively. Interest payments during the first nine months of 1996 and 1995 were approximately \$18 million.

Exhibit 11

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
COMPUTATION OF EARNINGS PER SHARE

(Dollars in Thousands Except Per Share Data)

Primary	Three Months Ended September 30 1996	1995
Net income	\$ 27,471	\$ 22,181
Add:		
Dividends paid net of related income tax applicable to restricted stock	90	120
Net income, as adjusted	\$ 27,561	\$ 22,301
Weighted average number of common shares outstanding	78,682,886	75,602,346
Weighted average number of incremental shares in connection with restricted stock and assumed exercise of stock options	2,366,301	2,570,035
Total	81,049,187	78,172,381
Earnings per common and common equivalent share	.34	\$.28
Fully Diluted	Three Months Ended September 30 1996	1995
Net income	\$ 27,471	\$ 22,181
Add:		
After tax interest savings on assumed conversion of subordinated debentures	1,601	1,600
Dividends paid net of related income tax applicable to restricted stock	98	127
Net income, as adjusted	\$ 29,170	\$ 23,908
Weighted average number of common shares outstanding	78,682,886	75,602,346
Weighted average number of incremental shares in connection with restricted stock and assumed exercise of stock options	2,510,690	2,730,172
Assumed conversion of subordinated debentures	3,002,130	3,002,130
Total	84,195,706	81,334,648
Earnings per common and common equivalent share	\$.35	\$.29

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

Primary	Nine Months Ended September 30	
	1996	1995
Net income	\$ 128,230	\$ 101,125
Add:		
Dividends paid net of related income tax applicable to restricted stock	265	325
Net income, as adjusted	\$ 128,495	\$ 101,450
Weighted average number of common shares outstanding	77,653,123	75,548,236
Weighted average number of incremental shares in connection with restricted stock and assumed exercise of stock options	2,400,359	2,433,307
Total	80,053,482	77,981,543
Earnings per common and common equivalent share	\$ 1.60	\$ 1.30
Fully Diluted	Nine Months Ended September 30	
	1996	1995
Net income	\$ 128,230	\$ 101,125
Add:		
After tax interest savings on assumed conversion of subordinated debentures	4,766	4,654
Dividends paid net of related income tax applicable to restricted stock	287	347
Net income, as adjusted	\$ 133,283	\$ 106,126
Weighted average number of common shares outstanding	77,653,123	75,548,236
Weighted average number of incremental shares in connection with restricted stock and assumed exercise of stock options	2,574,008	2,637,689
Assumed conversion of subordinated debentures	3,002,130	3,002,130
Total	83,229,261	81,188,055
Earning per common and common equivalent share	\$ 1.60	\$ 1.31

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

LIQUIDITY AND CAPITAL RESOURCES

Working capital at September 30, 1996 was \$133.8 million, a decrease of \$13.9 million from December 31, 1995. The ratio of current assets to current liabilities was approximately 1.0 to 1 at September 30, 1996.

In June 1996, the Company issued 1,824,609 shares (or approximately \$84.8 million) of the Company's common stock in exchange for all the issued and outstanding stock of DraftDirect Worldwide, Inc. The acquisition was accounted for as a pooling of interest; however, the Company's financial statements were not restated for the prior periods as the Company's consolidated results would not have changed significantly.

Historically, cash flow from operations has been the primary source of working capital and management believes that it will continue to be in the future. The principal use of the Company's working capital is to provide for the operating needs of its advertising agencies, which include payments for space or time purchased from various media on behalf of its clients. The Company's practice is to bill and collect from its clients in sufficient time to pay the amounts due media. Other uses of working capital

include the payment of cash dividends, acquisitions, capital expenditures and the reduction of long-term debt. In addition, during the first nine months of 1996, the Company acquired 1,403,870 shares of its own stock for approximately \$62.5 million for the purpose of fulfilling the Company's obligations under its various compensation plans.

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RESULTS OF OPERATIONS

Three Months Ended September 30, 1996 Compared to Three Months Ended September 30, 1995

Total revenue for the three months ended September 30, 1996 increased \$78.7 million, or 16.5%, to \$555.0 million compared to the same period in 1995. Domestic revenue increased \$64.3 million or 36.9% from 1995 levels. Foreign revenue increased \$14.4 million or 4.8% during the third quarter of 1996 compared to 1995. Other income decreased by \$3.4 million during the third quarter of 1996 compared to the same period in 1995.

Operating expenses increased \$64.1 million or 14.4% during the three months ended September 30, 1996 compared to the same period in 1995. Interest expense decreased 1.9% as compared to the same period in 1995.

Pretax income increased \$11.3 million or 30.5% during the three months ended September 30, 1996 compared to the same period in 1995.

The increase in total revenue, operating expenses, and pretax income is primarily due to acquired companies' results of operations and contributions from new business gains.

Net losses from exchange and translation of foreign currencies for the three months ended September 30, 1996 were approximately \$.9 million versus \$1.1 million for the same period in 1995.

The effective tax rate for the three months ended September 30, 1996 was 42.4%, as compared to 43.0% in 1995.

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

Nine Months Ended September 30, 1996 Compared to Nine Months Ended September 30, 1995

Total revenue for the nine months ended September 30, 1996 increased \$220.6 million, or 15.1%, to \$1,678.8 million compared to the same period in 1995. Domestic revenue increased \$172.9 million or 33.0% from 1995 levels. Foreign revenue increased \$47.7 million or 5.1% during the first nine months of 1996 compared to 1995. Other income has increased by \$18.6 million in the first nine months of 1996 compared to the same period in 1995. The increase in other income is primarily from the proceeds resulting from the sale of a portion of the Company's interest in the CKS Group, Inc. The net gain was approximately \$8.1 million or \$.10 per share.

Operating expenses increased \$190.6 million or 14.6% during the nine months ended September 30, 1996 compared to the same period in 1995. Interest expense increased 4.5% during the nine months ended September 30, 1996 as compared to the same nine month period in 1995.

Pretax income increased \$47.3 million or 26.9% during the nine months ended September 30, 1996 compared to the same period in 1995.

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The increase in total revenue, operating expenses, and pretax income is primarily due to acquired companies' results of operations and

contributions from new business gains.

Net losses from exchange and translation of foreign currencies for the nine months ended September 30, 1996 were approximately \$1.9 million versus \$2.9 million for the same period in 1995.

The effective tax rate for the nine months ended September 30, 1996 and 1995 was 42.6%.

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibit 10(a) Supplemental Agreement, made as of July 1, 1996 to an Employment Agreement made as of July 1, 1991 by and between The Interpublic Group of Companies, Inc. ("Interpublic") and Philip H. Geier, Jr.

Exhibit 10(b) Letter, dated September 20, 1996, extending the term of a certain Credit Agreement dated December 1, 1994 by and between Interpublic and Bank of America National Trust and Savings Association.

Exhibit 10(c) Letter, dated September 20, 1996, extending the term of a certain Credit Agreement dated September 30, 1992 by and between Interpublic and The Bank of New York.

Exhibit 10(d) Letter, dated September 20, 1996, extending the term of a certain Credit Agreement dated September 30, 1992 by and between Interpublic and NBD Bank.

Exhibit 10(e) Letter, dated September 20, 1996, extending the term of a certain Credit Agreement dated September 30, 1992 by and between Interpublic and SunTrust Bank.

Exhibit 10(f) Letter, dated September 20, 1996, extending the term of a certain Credit Agreement dated September 30, 1992 by and between Interpublic and Swiss Bank Corporation.

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Exhibit 10(g) Letter, dated September 20, 1996, extending the term of a certain Credit Agreement dated September 30, 1992 by and between Interpublic and Union Bank of Switzerland.

Exhibit 10(h) Letter, dated September 20, 1996, extending the term of a certain Credit Agreement dated September 30, 1992 by and between Interpublic and Citibank, N.A.

Exhibit 10(I) Letter, dated September 20, 1996, extending the term of a certain Credit Agreement dated September 30, 1992 by and between Interpublic and The Chase Manhattan Bank (formerly Chemical Bank).

Exhibit 11 Computation of Earnings Per Share.

Exhibit 27 Financial Data Schedule.

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the quarter ended September 30, 1996.

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SIGNATURES

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

THE INTERPUBLIC GROUP OF COMPANIES, INC.
(Registrant)

Date: November 13, 1996 By /S/ PHILIP H. GEIER, JR.
PHILIP H. GEIER, JR.
Chairman of the Board,
President and Chief Executive
Officer

Date: November 13, 1996 By /S/ EUGENE P. BEARD
EUGENE P. BEARD
Vice Chairman -
Finance and Operations

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES

INDEX TO EXHIBITS

Exhibit No.	Description
Exhibit 10(a)	Supplemental Agreement, made as of July 1, 1996 to an Employment Agreement made as of July 1, 1991 by and between The Interpublic Group of Companies, Inc. ("Interpublic") and Philip H. Geier, Jr.
Exhibit 10(b)	Letter, dated September 20, 1996, extending the term of a certain Credit Agreement dated December 1, 1994 by and between Interpublic and Bank of America National Trust and Savings Association.
Exhibit 10(c)	Letter, dated September 20, 1996, extending the term of a certain Credit Agreement dated September 30, 1992 by and between Interpublic and The Bank of New York.
Exhibit 10(d)	Letter, dated September 20, 1996, extending the term of a certain Credit Agreement dated September 30, 1992 by and between Interpublic and NBD Bank.
Exhibit 10(e)	Letter, dated September 20, 1996, extending the term of a certain Credit Agreement dated September 30, 1992 by and between Interpublic and SunTrust Bank.
Exhibit 10(f)	Letter, dated September 20, 1996, extending the term of a certain Credit Agreement dated September 30, 1992 by and between Interpublic and Swiss Bank Corporation.
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Exhibit 10(g)	Letter, dated September 20, 1996, extending the term of a certain Credit Agreement dated September 30, 1992 by and between Interpublic and Union Bank of Switzerland.
Exhibit 10(h)	Letter, dated September 20, 1996, extending the term of a certain Credit Agreement dated September 30, 1992 by and between Interpublic and Citibank, N.A.
Exhibit 10(I)	Letter, dated September 20, 1996, extending the term of a certain Credit Agreement dated September 30, 1992 by and between Interpublic and The Chase Manhattan Bank (formerly Chemical Bank).

Exhibit 11

Computation of Earnings Per Share.

Exhibit 27

Financial Data Schedule.

SUPPLEMENTAL AGREEMENT

SUPPLEMENTAL AGREEMENT made as of July 1, 1996, by and between THE INTERPUBLIC GROUP OF COMPANIES, INC., a corporation of the State of Delaware (hereinafter referred to as the "Corporation"), and PHILIP H. GEIER, JR. (hereinafter referred to as "Executive"):

W I T N E S S E T H

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

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

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

1. Section 1.01 of the Employment Agreement is hereby amended effective July 1, 1996, so as to delete "ending on June 30, 1996" and to substitute therefor "ending on June 30, 2001."
2. Except as hereinabove amended, the Employment Agreement shall continue in full force and effect.

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

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: C. KENT KROEBER

PHILIP H. GEIER, JR.

September 20, 1996

Mr. Matthew A. Flynn
Managing Director
Bank of America
355 Madison Avenue
New York, NY 10017

RE: CREDIT AGREEMENT BETWEEN THE INTERPUBLIC GROUP OF COMPANIES,
INC. AND BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION

Dear Matt:

We are writing to you in connection with the Credit Agreement between The Interpublic Group of Companies, Inc. and Bank of America National Trust and Savings Association dated December 1, 1994 (the "Agreement"). Section 2.13 of the Agreement provides that the Borrower may request extension of the Commitment under the Agreement for an additional period of one year from the then current Termination Date.

Notwithstanding the dates specified in Section 2.13 of the Agreement for requesting such extension, we hereby request that you extend the Termination Date of the Agreement to December 1, 1998. If you are agreeable to our request, please so indicate by signing and returning the duplicate copy of this letter which we have enclosed herewith.

Thank you.

Sincerely,

Alan M. Forster
Vice President & Treasurer

ACCEPTED & AGREED
BANK OF AMERICA

By: Matthew A. Flynn, Managing Director

Date: 11/4/96

cc: Mr. Kenneth E. Dutcher
Ms. Barbara S. Gmora
Ms. Regina E. Dooley

September 20, 1996

Mr. William Kerr
The Bank of New York
48 Wall Street
New York, NY 10286

RE: CREDIT AGREEMENT BETWEEN THE INTERPUBLIC GROUP OF COMPANIES,
INC. AND THE BANK OF NEW YORK

Dear William:

We are writing to you in connection with the Credit Agreement between The Interpublic Group of Companies, Inc. and The Bank of New York dated September 30, 1992 and effective as of December 18, 1992 (the "Agreement"). Section 2.13 of the Agreement provides that the Borrower may request extension of the Commitment under the Agreement for an additional period of one year from the then current Termination Date.

Notwithstanding the dates specified in Section 2.13 of the Agreement for requesting such extension, we hereby request that you extend the Termination Date of the Agreement to December 1, 1998. If you are agreeable to our request, please so indicate by signing and returning the duplicate copy of this letter which we have enclosed herewith.

Thank you.

Sincerely,

Alan M. Forster
Vice President & Treasurer

ACCEPTED & AGREED
THE BANK OF NEW YORK

By: Georgia Pan-Kita

Date: 10/25/96

cc: Mr. Kenneth E. Dutcher
Ms. Barbara S. Gmora
Ms. Regina E. Dooley

September 20, 1996

Ms. Anna Hoffman
First Chicago NBD
P.O. Box 395
Church Street Station
New York, NY 10008

RE: CREDIT AGREEMENT BETWEEN THE INTERPUBLIC GROUP OF COMPANIES,
INC. AND NBD BANK

Dear Ann:

We are writing to you in connection with the Credit Agreement between The Interpublic Group of Companies, Inc. and NBD Bank dated September 30, 1992 and effective as of December 23, 1992 (the "Agreement"). Section 2.13 of the Agreement provides that the Borrower may request extension of the Commitment under the Agreement for an additional period of one year from the then current Termination Date.

Notwithstanding the dates specified in Section 2.13 of the Agreement for requesting such extension, we hereby request that you extend the Termination Date of the Agreement to December 1, 1998. If you are agreeable to our request, please so indicate by signing and returning the duplicate copy of this letter which we have enclosed herewith.

Thank you.

Sincerely,

Alan M. Forster
Vice President & Treasurer

ACCEPTED & AGREED
NBD BANK

By: John W. Fischer III

Date: 9/30/96

cc: Mr. Kenneth E. Dutcher
Ms. Barbara S. Gmora
Ms. Regina E. Dooley

September 20, 1996

Ms. Lara McGinty
SunTrust Banks, Inc.
711 Fifth Avenue, Fifth Floor
New York, NY 10022

RE: CREDIT AGREEMENT BETWEEN THE INTERPUBLIC GROUP OF COMPANIES,
INC. AND SUNTRUST BANK

Dear Lara:

We are writing to you in connection with the Credit Agreement between The Interpublic Group of Companies, Inc. and SunTrust Bank dated September 30, 1992 and effective as of December 30, 1992 (the "Agreement"). Section 2.13 of the Agreement provides that the Borrower may request extension of the Commitment under the Agreement for an additional period of one year from the then current Termination Date.

Notwithstanding the dates specified in Section 2.13 of the Agreement for requesting such extension, we hereby request that you extend the Termination Date of the Agreement to December 1, 1998. If you are agreeable to our request, please so indicate by signing and returning the duplicate copy of this letter which we have enclosed herewith.

Thank you.

Sincerely,

Alan M. Forster
Vice President & Treasurer

ACCEPTED & AGREED
SUNTRUST BANK

By:Lara McGinty, Banking Officer

Date: 10/31/96

cc: Mr. Kenneth E. Dutcher
Ms. Barbara S. Gmora
Ms. Regina E. Dooley

September 20, 1996

Ms. Phyllis Karno
Swiss Bank Corporation
P.O. Box 395
Church Street Station
New York, NY 10008

RE: CREDIT AGREEMENT BETWEEN THE INTERPUBLIC GROUP OF COMPANIES,
INC. AND SWISS BANK CORPORATION

Dear Phyllis:

We are writing to you in connection with the Credit Agreement between The Interpublic Group of Companies, Inc. and Swiss Bank Corporation dated September 30, 1992 and effective as of December 18, 1992 (the "Agreement"). Section 2.13 of the Agreement provides that the Borrower may request extension of the Commitment under the Agreement for an additional period of one year from the then current Termination Date.

Notwithstanding the dates specified in Section 2.13 of the Agreement for requesting such extension, we hereby request that you extend the Termination Date of the Agreement to December 1, 1998. If you are agreeable to our request, please so indicate by signing and returning the duplicate copy of this letter which we have enclosed herewith.

Thank you.

Sincerely,

Alan M. Forster
Vice President & Treasurer

ACCEPTED & AGREED
SWISS BANK CORPORATION

By: Sabina Wu - Director of Credit Risk Management, N.A.
By: Karen Mayrose - Associate Director Banking Finance Support

Date: Undated

cc: Mr. Kenneth E. Dutcher
Ms. Barbara S. Gmora
Ms. Regina E. Dooley

September 20, 1996

Mr. Robert Casey, Jr.
Managing Director
Union Bank of Switzerland
299 Park Avenue
New York, NY 10171-0026

RE: CREDIT AGREEMENT BETWEEN THE INTERPUBLIC GROUP OF COMPANIES,
INC. AND UNION BANK OF SWITZERLAND, NY BRANCH

Dear Robert:

We are writing to you in connection with the Credit Agreement between The Interpublic Group of Companies, Inc. and Union Bank of Switzerland dated September 30, 1992 and effective as of December 29, 1992 (the "Agreement"). Section 2.13 of the Agreement provides that the Borrower may request extension of the Commitment under the Agreement for an additional period of one year from the then current Termination Date.

Notwithstanding the dates specified in Section 2.13 of the Agreement for requesting such extension, we hereby request that you extend the Termination Date of the Agreement to December 1, 1998. If you are agreeable to our request, please so indicate by signing and returning the duplicate copy of this letter which we have enclosed herewith.

Thank you.

Sincerely,

Alan M. Forster
Vice President & Treasurer

ACCEPTED & AGREED
UNION BANK OF SWITZERLAND, NY BRANCH

By: Samuel Azizo - Vice President

By: James P. Kelleher - Assistant vice President

Date: Not dated

cc: Mr. Kenneth E. Dutcher
Ms. Barbara S. Gmora
Ms. Regina E. Dooley

September 20, 1996

Mr. Eric Huttner
Citibank
399 Park Avenue
New York, NY 10043

RE: CREDIT AGREEMENT BETWEEN THE INTERPUBLIC GROUP OF COMPANIES,
INC. AND CITIBANK, N.A.

Dear Eric:

We are writing to you in connection with the Credit Agreement between The Interpublic Group of Companies, Inc. and Citibank, N.A. dated September 30, 1992 and effective as of December 22, 1992 (the "Agreement"). Section 2.13 of the Agreement provides that the Borrower may request extension of the Commitment under the Agreement for an additional period of one year from the then current Termination Date.

Notwithstanding the dates specified in Section 2.13 of the Agreement for requesting such extension, we hereby request that you extend the Termination Date of the Agreement to December 1, 1998. If you are agreeable to our request, please so indicate by signing and returning the duplicate copy of this letter which we have enclosed herewith.

Thank you.

Sincerely,

Alan M. Forster
Vice President & Treasurer

ACCEPTED & AGREED
CITIBANK, N.A.

By:Eric Huttner - Vice President

Date: 10/3/96

cc: Mr. Kenneth E. Dutcher
Ms. Barbara S. Gmora
Ms. Regina E. Dooley

September 20, 1996

Mr. Bruce E. Langenkamp
Vice President
The Chase Manhattan Bank, N.A.
1 Chase Manhattan Plaza, 4th Floor
New York, NY 10081

RE: CREDIT AGREEMENT BETWEEN THE INTERPUBLIC GROUP OF COMPANIES,
INC. AND (The Chase Manhattan Bank, Formerly Known as) CHEMICAL
BANK

Dear Bruce:

We are writing to you in connection with the Credit Agreement between The Interpublic Group of Companies, Inc. and (The Chase Manhattan Bank, formerly known as) Chemical Bank dated September 30, 1992 and effective as of December 23, 1992 (the "Agreement"). Section 2.13 of the Agreement provides that the Borrower may request extension of the Commitment under the Agreement for an additional period of one year from the then current Termination Date.

Notwithstanding the dates specified in Section 2.13 of the Agreement for requesting such extension, we hereby request that you extend the Termination Date of the Agreement to December 1, 1998. If you are agreeable to our request, please so indicate by signing and returning the duplicate copy of this letter which we have enclosed herewith.

Thank you.

Sincerely,

Alan M. Forster
Vice President & Treasurer

ACCEPTED & AGREED
(The Chase Manhattan Bank Formerly Known As)
CHEMICAL BANK

By: Ann B. Kerns - Vice President
Global Media & Telecommunications

Date: November 8, 1996

cc: Mr. Kenneth E. Dutcher
Ms. Barbara S. Gmora
Ms. Regina E. Dooley

<ARTICLE> 5

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE BALANCE SHEET AND THE INCOME STATEMENT AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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