SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended **September 30, 2001**

OR

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

Commission File Number: 1-6686

THE INTERPUBLIC GROUP OF COMPANIES, INC.

(Exact name of Registrant as specified in its charter)

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

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

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. Common Stock outstanding at October 31, 2001: 377,638,379 shares.

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES

I N D E X

PART I - FINANCIAL INFORMATION

Item 1

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
FINANCIAL STATEMENTS
CONSOLIDATED BALANCE SHEET
(Amounts in Millions Except Per Share Data)

ASSETS

	September 30, 2001 (Unaudited)	December 31, 2000
CURRENT ASSETS:		
Cash and cash equivalents (includes certificates of deposit:		
2001 - $81.6; 2000 - $110.9)	$ 685.6	$ 844.6
Receivables (net of allowance for doubtful accounts:		
2001 - $83.2; 2000 - $85.7)	4,862.1	5,735.7
Expenditures billable to clients	448.6	437.9
Prepaid expenses and other current assets	303.9	277.8
Total current assets	6,300.2	7,296.0
FIXED ASSETS, AT COST:		
Land and buildings	179.7	174.1
Furniture and equipment	1,118.2	1,103.7
Leasehold improvements	414.2	427.8
	1,712.1	1,705.6
Less: accumulated depreciation	(927.4)	(879.2)
Total fixed assets	784.7	826.4
OTHER ASSETS:		

Investment in unconsolidated affiliates	162.2	178.9
Deferred taxes on income	512.2	380.3
Other investments and miscellaneous assets	510.1	525.4
Intangible assets (net of accumulated amortization: 2001 - $978.6; 2000 - $861.5)	3,058.7	3,155.0
Total other assets	4,243.2	4,239.6
TOTAL ASSETS	$11,328.1	$12,362.0

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
FINANCIAL STATEMENTS
CONSOLIDATED BALANCE SHEET
(Amounts in Millions Except Per Share Data)

LIABILITIES AND STOCKHOLDERS' EQUITY

	September 30, 2001 (Unaudited)	**December 31, 2000**
CURRENT LIABILITIES:		
Payable to banks	$ 1,225.0	$ 549.3
Accounts payable	4,365.8	5,751.3
Accrued expenses	1,233.9	1,111.1
Accrued income taxes	26.0	210.3
Total current liabilities	6,850.7	7,622.0
NON-CURRENT LIABILITIES:		
Long-term debt	1,356.3	998.7
Convertible subordinated notes	544.6	533.1
Deferred compensation and other	449.8	464.3
Accrued postretirement benefits	56.3	55.2
Other non-current liabilities	103.2	105.7
Minority interests in consolidated subsidiaries	103.7	100.6
Total noncurrent liabilities	2,613.9	2,257.6
Commitments and contingencies		
STOCKHOLDERS' EQUITY:		
Preferred Stock, no par value, shares authorized: 20, shares issued: none		
Common Stock, $.10 par value, shares authorized: 550, shares issued: 2001 - 385.5; 2000 - 377.3	38.5	37.7
Additional paid-in capital	1,747.1	1,514.7
Retained earnings	971.4	1,667.5
Accumulated other comprehensive loss, net of tax	(435.3)	(411.6)
	2,321.7	2,808.3
Less: Treasury stock, at cost: 2001 - 7.8 shares; 2000 - 5.5 shares	(331.9)	(194.8)
Unamortized expense of restricted stock grants	(126.3)	(131.1)
Total stockholders' equity	1,863.5	2,482.4
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$11,328.1	$12,362.0

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

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
FINANCIAL STATEMENTS
CONSOLIDATED INCOME STATEMENT
(Amounts in Millions Except Per Share Data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2001	**2000**	**2001**	**2000**
REVENUE	$1,605.7	$1,734.2	$5,007.3	$5,140.8
OPERATING EXPENSES:				
Salaries and related expenses	892.0	992.9	2,863.1	2,883.5
Office and general expenses	567.0	485.7	1,512.2	1,454.2
Amortization of intangible assets	42.8	37.4	126.9	101.8
Restructuring and other merger related costs	592.8	26.7	645.6	115.5
Goodwill impairment and other	81.7	-	303.1	-
Total operating expenses	2,176.3	1,542.7	5,450.9	4,555.0
Income (loss) from operations	(570.6)	191.5	(443.6)	585.8
OTHER INCOME (EXPENSE):				
Investment impairment	(48.2)	-	(208.3)	-
Interest expense	(46.9)	(36.5)	(125.8)	(87.0)
Interest income	6.8	11.6	30.1	35.3
Other income (expense), net	(0.7)	6.3	11.3	30.5
Income (loss) before provision for income taxes	(659.6)	172.9	(736.3)	564.6
Provision for (benefit of) income taxes	(184.7)	72.1	(135.9)	236.7
Income (loss) of consolidated companies	(474.9)	100.8	(600.4)	327.9
Income applicable to minority interests	(2.9)	(10.7)	(20.4)	(25.8)
Equity in net income of unconsolidated affiliates	0.3	.7	4.5	5.0
Net income (loss)	$ (477.5)	$ 90.8	$ (616.3)	$ 307.1
Earnings (loss) per share:				
Basic	$ (1.29)	$ .25	$ (1.67)	$ .86
Diluted	$ (1.29)	$ .24	$ (1.67)	$ .83
Dividend per share	$ .095	$ .095	$ .285	$ .275
Weighted average shares:				
Basic	369.6	362.7	368.2	358.3
Diluted	369.6	373.1	368.2	369.7

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

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(Dollars in Millions)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2001	**2000**	**2001**	**2000**
Net Income (Loss)	$(477.5)	$ 90.8	$(616.3)	$ 307.1
Other Comprehensive Income (Loss), net of tax:				
Foreign Currency Translation Adjustments	22.5	(39.7)	(76.4)	(117.7)
Net Unrealized Gains (Losses) on Securities	-	2.3	52.7	(144.0)
Other Comprehensive Income (Loss)	22.5	(37.4)	(23.7)	(261.7)
Comprehensive Income (Loss)	$(455.0)	$ 53.4	$(640.0)	$ 45.4

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

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND ITS SUBSIDIARIES
FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF CASH FLOWS
(Dollars in Millions)
(Unaudited)

	Nine Months Ended September 30,	
	2001	**2000**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$(616.3)	$307.1
Adjustments to reconcile net income (loss) to cash used in operating activities:		
Depreciation and amortization of fixed assets	149.0	143.5
Amortization of intangible assets	126.9	101.8
Amortization of restricted stock awards	37.2	27.2
Benefit of deferred income taxes	(183.9)	(4.5)
Income applicable to minority interests	20.4	25.8
Restructuring costs, non-cash	104.3	31.9
Investment impairment	208.3	-
Goodwill impairment	275.6	-
Other	(8.6)	(16.0)
Changes in assets and liabilities, net of acquisitions:		
Receivables	736.1	(152.9)
Expenditures billable to clients	(21.5)	(111.2)
Prepaid expenses and other assets	(45.3)	(58.3)
Accounts payable, accrued expenses and other	(1,156.2)	(418.2)
Accrued income taxes	(179.7)	3.9
Deferred compensation and other	36.2	39.5
Net cash used in operating activities	(517.5)	(80.4)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions, net	(227.8)	(534.5)

Capital expenditures	(194.7)	(186.7)
Proceeds from sale of assets	10.4	14.1
Net (purchases of) proceeds from marketable securities	(8.5)	5.9
Other investments and miscellaneous assets	(79.2)	(163.1)
Investments in unconsolidated affiliates	(5.1)	(29.4)
Net cash used in investing activities	(504.9)	(893.7)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in short-term borrowings	115.2	172.7
Proceeds from long-term debt	1,200.2	859.9
Payments of long-term debt	(273.4)	(232.3)
Treasury stock acquired	(113.8)	(192.7)
Issuance of common stock	69.7	62.4
Cash dividends - Interpublic	(94.6)	(80.4)
Cash dividends - pooled companies	(15.2)	(33.8)
Net cash provided by financing activities	888.1	555.8
Deconsolidation of subsidiary	-	(29.1)
Effect of exchange rates on cash and cash equivalents	(24.7)	(57.5)
Decrease in cash and cash equivalents	(159.0)	(504.9)
Cash and cash equivalents at beginning of year	844.6	1,147.3
Cash and cash equivalents at end of period	$ 685.6	$ 642.4

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

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

1. ***Basis of Presentation***

In the opinion of management, the consolidated balance sheet as of September 30, 2001, the consolidated income statements for the three months and nine months ended September 30, 2001 and 2000, the consolidated statements of comprehensive income for the three months and nine months ended September 30, 2001 and 2000, and the consolidated statements of cash flows for the nine months ended September 30, 2001 and 2000, contain all adjustments necessary to present fairly the financial position, results of operations and cash flows at September 30, 2001 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" or "Interpublic") December 31, 2000 annu al report to stockholders, and the consolidated financial statements and notes thereto included in the Company's Current Report on Form 8-K dated September 18, 2001.

The Company's consolidated financial statements, including the related notes, have been restated for the prior periods presented to include the results of operations, financial position and cash flows of True North Communications Inc. ("True North") (see Note (2)).

Certain prior year amounts have been reclassified to conform with current year presentation.

2. ***Acquisition of True North***

On June 22, 2001, the Company completed the acquisition of True North in a stock transaction that has been accounted for under the pooling of interests method. In connection with the acquisition, approximately 59 million shares of common stock were issued.

Following the completion of the True North acquisition, the Company initiated a series of operational initiatives focusing on i) the integration of the True North operations and the identification of synergies and savings, ii) the realignment of certain Interpublic businesses, and iii) productivity initiatives to achieve higher operating margins. As a result of the operational initiatives, the combined Company has been organized into four global operating divisions. Three of these divisions, McCann-Erickson WorldGroup, an enhanced FCB Group and a new global marketing resource called The Partnership, provide a full complement of global marketing services and marketing communication services. The fourth division, Advanced Marketing Services, focuses on expanding the Company's operations in the area of specialized marketing communications.

3.

Restructuring and other merger related costs

In connection with the operational initiatives discussed above, the Company has executed a wide-ranging restructuring plan that includes severance, lease terminations and other actions. The total amount of the charges incurred in connection with the plan is $645.6 million ($446.5 million, net of tax), including $592.8 million in the third quarter with the remainder having been recorded through the end of the second quarter.

A summary of the components of the total restructuring and other merger related costs, together with an analysis of the cash and non-cash elements, is as follows:

(Dollars in millions)	Amount recorded through Q2	Amount recorded in Q3	Total recorded through Q3	Cash paid through Q3	Non-cash items	Liability at Sept. 30, 2001
TOTAL BY TYPE						
Severance and termination costs	$15.6	$281.9	$297.5	$51.0	$ -	$246.5
Lease termination and related costs	-	257.6	257.6	3.0	77.5	177.1
Other exit costs	-	53.3	53.3	2.0	21.1	30.2
Transaction costs	37.2	-	37.2	31.5	5.7	-
Total	$52.8	$592.8	$645.6	$87.5	$104.3	$453.8

The severance and termination costs relate to approximately 6,800 employees who have been, or will be, terminated. The employee groups affected included all levels and functions across the Company; executive, regional and account management, and administrative, creative and media production personnel. Approximately half of the headcount reductions relate to the US, one third relate to Europe (principally the UK, France and Germany) with the remainder relating to Latin America and Asia Pacific.

Lease termination costs, net of estimated sublease income, relate to the offices that have been or will be vacated as part of the restructuring. Approximately 180 locations are to be vacated with substantially all actions being completed by December 31, 2001; however, the cash portion of the charge will be paid out over a period of up to five years. The offices to be vacated are geographically spread in a similar manner to the severance charges. Lease termination and related costs include write-offs related to the abandonment of leasehold improvements as part of the office vacancies.

Other exit costs relate principally to the impairment loss on sale or closing of certain business units in the US and Europe and direct costs of the restructuring program. In the aggregate, the businesses being sold or closed represent an immaterial portion of the revenue and operations of the Company. The write-off amount was computed based upon the difference between the estimated sales proceeds (if any) and the carrying value of the related assets. These sales or closures are expected to be completed by the end of December 2001.

During the third quarter of 2000, the Company recorded restructuring and other merger related costs of $26.7 million ($16.8 million net of tax). For the nine months ended September 30, 2000, the Company recorded restructuring and other merger related costs of $115.5 million ($72.5 million net of tax). The key components of the charge in 2000 were the costs associated with the restructuring of Lowe Lintas & Partners Worldwide. The remaining costs relate principally to transaction and other merger related costs arising from the merger with NFO.

4. ***Goodwill Impairment and Other***

Following the completion of the True North acquisition, in connection with the Company's initiative on realignment of certain Interpublic businesses, the Company has evaluated the realizability of various assets. In connection with this review, undiscounted cash flow projections were prepared for certain investments, and the Company determined that the goodwill attributable to certain acquisitions was in excess of its estimates of the entities' future cashflows. As a result, an impairment charge of $303.1 million ($263.4 million, net of tax) has been recorded in the current year. Of the total write-off, $221.4 million was recorded in the second quarter of 2001, with the remainder recorded in the third quarter of 2001. The largest components of the goodwill impairment and other charges are Capita Technologies, Inc. (approximately $145 million) and Zentropy Partners (approximately $16 million), both internet services businesses. The remaining amount primarily relates to several other businesses includi ng internet services, healthcare consulting, and certain advertising offices in Europe and Asia Pacific.

5. ***Investment Impairment***

During the year the Company recorded total charges related to the impairment of investments of $208.3 million ($134.1 million, net of tax). Of the total amount, $160.1 million ($103.7 million net of tax) was recorded in the first quarter, with the remainder recorded in the third quarter. The charge in the first quarter was related to the impairment of investments primarily in publicly traded internet-related companies, including marchFIRST, Inc. (an internet professional services firm), which had filed for relief under Chapter 11 of the Federal Bankruptcy Code in April 2001. The third quarter charge includes write-offs for non-internet investments, certain venture funds and other investments. The impairment charge adjusts the carrying value of remaining investments to the estimated market value where an other than temporary impairment has occurred.

6. ***Operating Expenses***

Included in office and general expenses for the third quarter of 2001 are charges of $85.4 million relating primarily to miscellaneous operating assets, which are no longer considered realizable. Additionally, a benefit of

$50 million resulting from a reduction in severance reserves related to recent significant headcount reductions is included in salaries and related expenses.

7. ***Debt***

On June 26, 2001, the Company replaced its maturing $375 million 364-day facility with a syndicated revolving multi-currency credit agreement. The credit agreement provides for a 364-day facility under which $500 million may be borrowed. The facility bears interest at variable rates based on either LIBOR or a bank's base rate, at the Company's option. As of September 30, 2001, there were no borrowings outstanding under this facility. Prior to June 25, 2002, the Company may, at its option, borrow the full amount of the facility for a one-year term.

In June 2000, the Company entered into a five-year credit agreement with a group of lenders. The credit agreement provides for borrowings of up to $375 million which bear interest at variable rates based on LIBOR or a bank's base rate, at the Company's option. At September 30, 2001, there was approximately $342 million borrowed under this facility.

In July 2001, the Company entered into a credit agreement with a group of lenders. The credit agreement provided for revolving borrowings of up to $750 million. No borrowings were drawn under this facility and the facility terminated upon the issuance of the $500 million Senior Notes on August 22, 2001.

On August 22, 2001, the Company completed the issuance and sale of $500 million principal amount of senior unsecured notes due 2011. The notes bear interest at a rate of 7.25% per annum. The Company used the net proceeds of approximately $493 million from the sale of the notes to repay outstanding indebtedness under its credit facilities.

8. ***New Accounting Standards***

In June 1998, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS 133), which had an initial adoption date of January 1, 2000. In June 1999, the FASB postponed the adoption date by the Company of SFAS 133 until January 1, 2001. The Company adopted the provisions of SFAS 133 effective January 1, 2001. The adoption of SFAS 133 did not have a material impact on the Company's financial condition or results of operations.

In June 2001, the Financial Accounting Standards Board issued Statements of Financial Accounting Standards No. 141, *Business Combinations*, and No. 142, *Goodwill and Other Intangible Assets*, effective for fiscal years beginning after December 15, 2001 which requires that the purchase method of accounting be used for all business combinations initiated after June 30, 2001. Under the new rules, goodwill and intangible assets deemed to have indefinite lives will no longer be amortized but will be subject to annual impairment tests in accordance with the Statements. Other intangible assets will continue to be amortized over their useful lives.

The Company will apply the new rules on accounting for goodwill and other intangible assets beginning in the first quarter of 2002; however, certain provisions of these standards also apply to acquisitions concluded subsequent to June 30, 2001. During 2002, the Company will perform the first of the required impairment tests of goodwill and indefinite lived intangible assets, and has not yet determined what the effect of these tests will be on the earnings and financial position of the Company.

9. ***Commitments and Contingencies***

The Company is involved in legal and administrative proceedings of various types. While any litigation contains an element of uncertainty, the Company believes that the outcome of such proceedings or claims will not have a material adverse effect on the Company.

Item 2

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

As discussed in Note (1), the Company's consolidated financial statements and other financial information for prior periods have been restated to reflect the effect of the True North Communications, Inc. ("True North") acquisition accounted for as a pooling of interests. The following discussion relates to the combined results of the Company after giving effect to the True North pooling.

For purposes of the following discussion, certain non-recurring items have been aggregated and are described in a subsequent section of this discussion. All amounts discussed below are as reported unless otherwise noted.

RESULTS OF OPERATIONS

Three Months Ended September 30, 2001 Compared to Three Months Ended September 30, 2000

The Company reported a net loss of $477.5 million or $1.29 diluted loss per share compared to net income of $90.8 million or $.24 diluted earnings per share for the three months ended September 30, 2001 and 2000, respectively. Excluding the impact of non-recurring items, which are discussed below, net income was $54.5 million or $.15 diluted earnings per share compared to $107.7 million or $.29 diluted earnings per share for the three months ended September 30, 2001 and 2000, respectively.

The following table sets forth net income and earnings per share before and after non-recurring items:

(Dollars in millions, except per share data)	**2001**	**2000**
Net income (loss) as reported	$(477.5)	$ 90.8
Earnings (loss) per share:		
Basic	$ (1.29)	$ .25
Diluted	$ (1.29)	$ .24
Net income before non-recurring items	$ 54.5	$107.7
Earnings per share:		
Basic	$ .15	$ .30
Diluted	$ .15	$ .29

Worldwide revenue for the three months ended September 30, 2001 decreased $128.5 million or 7% to $1.6 billion compared to the same period in 2000. Domestic revenue decreased $167.2 million or 16% during the third quarter of 2001 compared to the third quarter of 2000. International revenue grew 6% during the third quarter of 2001 compared to the third quarter of 2000, with minimal currency effect. The decrease in revenue is attributable to a challenging economic environment in the US and world events, which reduced client spending and impacted the pace of new business activity. Organic revenue, exclusive of acquisitions and currency effects, declined by 9% for the third quarter of 2001 compared to the third quarter of 2000. Excluding the impact of the loss of the Chrysler account by Foote, Cone & Belding in November 2000 and the estimated business disruptions following the events of September 11, 2001, organic revenue was down 4.4% in the quarter.

Revenue from specialized marketing and communications services, which include market research, sales promotion, direct marketing, public relations, sports and event marketing, healthcare marketing and e-consultancy and services, comprised approximately 41% and 39% of the total worldwide revenue for the three months ended September 30, 2001 and 2000, respectively.

Worldwide operating expenses, excluding non-recurring items, for the third quarter of 2001 were $1.5 billion, a decrease of 3.2% over the third quarter of 2000. Salaries and related expenses, excluding non-recurring items, totaled $942 million or 59% of revenue for the third quarter of 2001 as compared to $992.9 million or 57% of revenue for the third quarter of 2000. The decrease in the dollar amount of salaries and related expenses is attributable to headcount reductions, including those related to the Company's restructuring program (see below). Office and general expenses, excluding non-recurring items, were $481.6 million for the third quarter of 2001 compared to $485.7 million for the third quarter of 2000.

Income from operations, excluding non-recurring items, was $139.3 million for the third quarter of 2001 compared to $218.2 million for the third quarter of 2000, a decrease of 36%. Exclusive of acquisitions, currency effects and amortization of intangible assets, income from operations decreased 29% for the third quarter of 2001 compared to the third quarter of 2000. Operating income continues to be negatively impacted by the reduction in client spending and the revenue trends noted above.

Interest expense was $46.9 million for the third quarter of 2001 compared to $36.5 million for the third quarter of 2000. The increase is primarily a result of higher debt levels.

Interest income was $6.8 million for the third quarter of 2001 compared to $11.6 million for the third quarter of 2000. The decrease is primarily a result of lower interest rates.

Other income (expense), net, which consists primarily of investment income and net gains (losses) from equity investments, decreased to a net expense of $0.7 million for the third quarter of 2001 compared to net income of $6.3 million for the third quarter of 2000 due primarily to a reduction in gains from sales of equity securities.

The effective tax rate, excluding non-recurring charges, for the third quarter of 2001 was 42% compared to 41% for the third quarter of 2000. The difference between the effective and statutory rates is primarily due to state and local taxes and nondeductible goodwill expense.

Nine Months Ended September 30, 2001 Compared to Nine Months Ended September 30, 2000

The Company reported a net loss of $616.3 million or $1.67 diluted loss per share compared to net income of $307.1 million or $.83 diluted earnings per share for the nine months ended September 30, 2001 and 2000, respectively. Excluding the impact of non-recurring items, which are discussed below, net income was $248.2 million or $.66 diluted earnings per share compared to $379.7 million or $1.03 diluted earnings per share for the nine months ended September 30, 2001 and 2000, respectively.

The following table sets forth net income and earnings per share before and after non-recurring items:

(Dollars in millions, except per share data)	**2001**	**2000**
Net income (loss) as reported	$(616.3)	$307.1
Earnings (loss) per share:		
Basic	$ (1.67)	$ .86
Diluted	$ (1.67)	$ .83
Net income before non-recurring items	$ 248.2	$379.7
Earnings per share:		
Basic	$ .67	$ 1.06
Diluted	$ .66	$ 1.03

Worldwide revenue for the nine months ended September 30, 2001 declined $133.5 million or 3% compared to the nine months ended September 30, 2000. Domestic revenue decreased $225.7 million or 7% during the first nine months of 2001 compared to first nine months of 2000. International revenue increased $92.3 million or 5% during the first nine months of 2001 compared to first nine months of 2000. International revenue would have increased 11% excluding the effect of the strengthening of the US dollar. The increase in international revenue, despite the negative impact of foreign currency translation, was offset by reduced client spending in the US. Organic revenue, exclusive of acquisitions and currency effects, declined by 3% for the first nine months of 2001 compared to the first nine months of 2000. Excluding the impact of the loss of the Chrysler account by Foote, Cone & Belding in November 2000 and the estimated business disruptions following the events of September 11, 2001, organic revenue would hav e been flat for the first nine months of 2001 compared to the first nine months of 2000.

Revenue from specialized marketing and communications services, which include market research, sales promotion, direct marketing, public relations, sports and event marketing, healthcare marketing and e-consultancy and services, comprised approximately 40% and 38% of the total worldwide revenue for the nine months ended September 30, 2001 and 2000, respectively.

Worldwide operating expenses for the first nine months of 2001, excluding non-recurring items, were $4.5 billion, an increase of 1% over the first nine months of 2000. Salaries and related expenses, excluding non-recurring items, were $2.9 billion or 58% of revenue for the first nine months of 2001 as compared to $2.9 billion or 56% of revenue for the first nine months of 2000. Office and general expenses, excluding non-recurring items, were $1.4 billion for the first nine months of 2001 and $1.5 billion for the first nine months of 2000.

Income from operations, excluding non-recurring items, was $540.5 million for the first nine months of 2001 compared to $701.3 million for the first nine months of 2000, a decrease of 23%. Exclusive of acquisitions, currency effects and amortization of intangible assets, income from operations decreased 18% for the first nine months of 2001 compared to the first nine months of 2000.

Interest expense was $125.8 million for the first nine months of 2001 compared to $87 million for the first nine months of 2000. The increase is primarily a result of higher debt levels.

Interest income was $30.1 million for the first nine months of 2001 compared to $35.3 million for the first nine months of 2000. The decrease is primarily a result of lower interest rates.

Other income (expense), net, which consists primarily of investment income and net gains (losses) from equity investments, decreased to $11.3 million for the first nine months of 2001 compared to $30.5 million for the first nine months of 2000 reflecting the reduced amount of gains from sales of equity securities.

The effective tax rate, excluding non-recurring charges, was 42% for the first nine months of 2001 compared to 41% for the first nine months of 2000. The difference between the effective and statutory rates is primarily due to state and local taxes and nondeductible goodwill expense.

Non-Recurring Items

On June 22, 2001, the Company completed the acquisition of True North in a stock transaction that has been accounted for under the pooling of interests method. In connection with the acquisition, approximately 59 million shares of common stock were issued.

Following the completion of the True North acquisition, the Company initiated a series of operational initiatives focusing on i) the integration of the True North operations and the identification of synergies and savings, ii) the realignment of certain Interpublic businesses, and iii) productivity initiatives to achieve higher operating margins. As a result of the operational initiatives, the combined Company has been organized into four global operating divisions. Three of these divisions, McCann-Erickson WorldGroup, an enhanced FCB Group and a new global marketing resource called The Partnership, provide a full complement of global marketing services and marketing communication services. The fourth division, Advanced Marketing Services, focuses on expanding the Company's operations in the area of specialized marketing communications.

i. ***Restructuring and other merger related costs***

In connection with the operational initiatives discussed above, the Company has executed a wide-ranging restructuring plan that includes severance, lease terminations and other actions. The total amount of the charges incurred in connection with the plan is $645.6 million ($446.5 million, net of tax), including $592.8 million in the third quarter with the remainder having been recorded through the end of the second quarter.

A summary of the components of the total restructuring and other merger related costs, together with an analysis of the cash and non-cash elements, is as follows:

(Dollars in millions)	Amount recorded through Q2	Amount recorded in Q3	Total recorded through Q3	Cash paid through Q3	Non-cash items	Liability at Sept. 30, 2001
TOTAL BY TYPE						
Severance and termination costs	$15.6	$281.9	$297.5	$51.0	$ -	$246.5
Lease termination and related costs	-	257.6	257.6	3.0	77.5	177.1
Other exit costs	-	53.3	53.3	2.0	21.1	30.2
Transaction costs	37.2	-	37.2	31.5	5.7	-
Total	$52.8	$592.8	$645.6	$87.5	$104.3	$453.8

The severance and termination costs relate to approximately 6,800 employees who have been, or will be, terminated. The employee groups affected included all levels and functions across the Company; executive, regional and account management, and administrative, creative and media production personnel. Approximately

half of the headcount reductions relate to the US, one third relate to Europe (principally the UK, France and Germany) with the remainder relating to Latin America and Asia Pacific.

Lease termination costs, net of estimated sublease income, relate to the offices that have been or will be vacated as part of the restructuring. Approximately 180 locations are to be vacated with substantially all actions being completed by December 31, 2001; however, the cash portion of the charge will be paid out over a period of up to five years. The offices to be vacated are geographically spread in a similar manner to the severance charges. Lease termination and related costs include write-offs related to the abandonment of leasehold improvements as part of the office vacancies.

Other exit costs relate principally to the impairment loss on sale or closing of certain business units in the US and Europe and direct costs of the restructuring program. In the aggregate, the businesses being sold or closed represent an immaterial portion of the revenue and operations of the Company. The write-off amount was computed based upon the difference between the estimated sales proceeds (if any) and the carrying value of the related assets. These sales or closures are expected to be completed by the end of December 2001.

The total restructuring charges of $645.6 million exceeded the original estimate, made in July 2001, of $500 million, due to the deterioration in revenue which caused the need for greater headcount reductions and office closings.

During the third quarter of 2000, the Company recorded restructuring and other merger related costs of $26.7 million ($16.8 million net of tax). For the nine months ended September 30, 2000, the Company recorded restructuring and other merger related costs of $115.5 million ($72.5 million net of tax). The key components of the charge in 2000 were the costs associated with the restructuring of Lowe Lintas & Partners Worldwide. The remaining costs relate principally to transaction and other merger related costs arising from the merger with NFO.

ii. ***Goodwill Impairment and Other***

Following the completion of the True North acquisition, in connection with the Company's initiative on realignment of certain Interpublic businesses, the Company has evaluated the realizability of various assets. In connection with this review, undiscounted cash flow projections were prepared for certain investments, and the Company determined that the goodwill attributable to certain acquisitions was in excess of its estimates of the entities' future cashflows. As a result, an impairment charge of $303.1 million ($263.4 million, net of tax) has been recorded in the current year. Of the total write-off, $221.4 million was recorded in the second quarter of 2001, with the remainder recorded in the third quarter of 2001. The largest components of the goodwill impairment and other charges are Capita Technologies, Inc. (approximately $145 million) and Zentropy Partners (approximately $16 million), both internet services businesses. The remaining amount primarily relates to several other businesses includi ng internet services, healthcare consulting, and certain advertising offices in Europe and Asia Pacific.

iii. ***Investment Impairment***

During the year the Company recorded total charges related to the impairment of investments of $208.3 million ($134.1 million, net of tax). Of the total amount, $160.1 million ($103.7 million net of tax) was recorded in the first quarter, with the remainder recorded in the third quarter. The charge in the first quarter was related to the impairment of investments primarily in publicly traded internet-related companies, including marchFIRST, Inc. (an internet professional services firm), which had filed for relief under Chapter 11 of the Federal Bankruptcy Code in April 2001. The third quarter charge includes write-offs for non-internet investments, certain venture funds and other investments. The impairment charge adjusts the carrying value of remaining investments to the estimated market value where an other than temporary impairment has occurred.

iv. ***Operating Expenses***

Included in office and general expenses in the third quarter of 2001 are charges of $85.4 million relating primarily to miscellaneous operating assets, which are no longer considered realizable. Additionally, a benefit of $50 million resulting from a reduction in severance reserves related to recent significant headcount reductions is included in salaries and related expenses.

LIQUIDITY AND CAPITAL RESOURCES

Working capital at September 30, 2001 was negative $550.5 million as compared to negative $326 million at December 31, 2000. Total debt at September 30, 2001 was $3.1 billion, an increase of $1.0 billion from December 31, 2000. The increase in debt is due to payments made for capital expenditures, acquisitions and to fund working capital. Management believes that anticipated cash flows from operations and availability under existing credit facilities (and refinancings thereof) are sufficient to fund the Company's operations. In addition, the Company believes that it will continue to have access to capital markets to augment its liquidity.

Net cash used in operating activities was $517.5 million and $80.4 million for the first nine months of 2001 and 2000, respectively. The use of cash in 2001 is primarily a result of the net loss for the period and decreases in accounts payable. The principal use of the Company's working capital is to provide for the operating needs of its advertising and specialized marketing communication operations, which include payments for space or time purchased from various media on behalf of its clients. Other uses of working capital include the payment of cash dividends, acquisitions and capital expenditures. In addition, during the first nine months of 2001, the Company acquired 2.4 million shares of its own stock for the purpose of fulfilling the Company's obligations under its various compensation plans. However, the Company has ceased its share repurchase program effective July 2001 as it has sufficient shares to meet its obligations.

On June 26, 2001, the Company replaced its maturing $375 million 364-day facility with a syndicated revolving multi-currency credit agreement. The credit agreement provides for a 364-day facility under which $500 million may be borrowed. The facility bears interest at variable rates based on either LIBOR or a bank's base rate, at the Company's option. As of September 30, 2001, there were no borrowings outstanding under this facility. Prior to June 25, 2002, the

Company may, at its option, borrow the full amount of the facility for a one-year term.

In June 2000, the Company entered into a five-year credit agreement with a group of lenders. The credit agreement provides for borrowings of up to $375 million which bear interest at variable rates based on LIBOR or a bank's base rate, at the Company's option. At September 30, 2001, there was approximately $342 million borrowed under this facility.

In July 2001, the Company entered into a credit agreement with a group of lenders. The credit agreement provided for revolving borrowings of up to $750 million. No borrowings were drawn under this facility and the facility terminated upon the issuance of the $500 million Senior Notes on August 22, 2001.

On August 22, 2001, the Company completed the issuance and sale of $500 million principal amount of senior unsecured notes due 2011. The notes bear interest at a rate of 7.25% per annum. The Company used the net proceeds of approximately $493 million from the sale of the notes to repay outstanding indebtedness under its credit facilities.

OUTLOOK

Despite significant new business already won in the fourth quarter, the Company believes that clients will remain cautious. As a result, revenue is expected to decline in the fourth quarter from its year-earlier level. As indicated, Interpublic has already moved aggressively to reduce its cost base, and will continue to focus on keeping costs in line with revenue.

OTHER MATTERS

Business Combinations, Goodwill and Other Intangible Assets
In June 2001, the Financial Accounting Standards Board issued Statements of Financial Accounting Standards No. 141, Business Combinations, and No. 142, Goodwill and Other Intangible Assets, effective for fiscal years beginning after December 15, 2001 which requires that the purchase method of accounting be used for all business combinations initiated after June 30, 2001. Under the new rules, goodwill and intangible assets deemed to have indefinite lives will no longer be amortized but will be subject to annual impairment tests in accordance with the Statements. Other intangible assets will continue to be amortized over their useful lives.

The Company will apply the new rules on accounting for goodwill and other intangible assets beginning in the first quarter of 2002; however, certain provisions of these standards also apply to acquisitions concluded subsequent to June 30, 2001. During 2002, the Company will perform the first of the required impairment tests of goodwill and indefinite lived intangible assets, and has not yet determined what the effect of these tests will be on the earnings and financial position of the Company.

Conversion to the Euro
On January 1, 1999, certain member countries of the European Union established fixed conversion rates between their existing currencies and the European Union's common currency (the "Euro"). The Company conducts business in member countries. The transition period for the introduction of the Euro is between January 1, 1999 and December 31, 2001. The Company is addressing the issues surrounding the introduction of the Euro including: converting information technology systems; reassessing currency risk; negotiating and amending contracts; and processing tax and accounting records.

Based upon progress to date, the Company believes that use of the Euro will not have a significant impact on the manner in which it conducts its business affairs and processes its business and accounting records. Accordingly, conversion to the Euro has not had, and is not expected to have, a material effect on the Company's financial condition or results of operations.

Cautionary Statement
This document contains forward-looking statements. Representatives of Interpublic may also make forward-looking statements orally from time to time. Statements that are not historical fact, including statements about Interpublic's beliefs and expectations, particularly regarding recent business and economic trends, the integration of acquisitions and restructuring costs, constitute forward-looking statements. These statements are based on current plans, estimates and projections, and therefore undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made, and Interpublic undertakes 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, those associated with the effect of national and regional economic conditions, the ability of Interpublic to attract new clients and retain existing clients, the financial success of the clients of Interpublic, developments from changes in the regulatory and legal environment for advertising companies around the world, and the successful completion and integration of acquisitions which complement and expand Interpublic's business capabilities.

One of Interpublic's business strategies is to acquire businesses that complement and expand its current business capabilities. Accordingly, Interpublic is usually engaged in evaluating potential acquisition candidates. Interpublic is frequently engaged in a number of preliminary discussions that may result in one or more substantial acquisitions. These acquisition opportunities require confidentiality and from time to time give rise to bidding scenarios that require quick responses by Interpublic. Although there is uncertainty that any of these discussions will result in definitive agreements or the completion of any transactions, the announcement of any such transaction may lead to increased volatility in the trading price of Interpublic's securities.

Moreover, the success of recent or contemplated future acquisitions will depend on the effective integration of newly- acquired businesses into Interpublic's current operations. Important factors for integration include realization of anticipated synergies and cost savings, and the ability to retain and attract new personnel and clients.

Investors should evaluate any Interpublic statements in light of these important factors.

Item 3

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company's financial market risk arises from fluctuations in interest rates and foreign currencies. Most of the Company's debt obligations are at fixed interest rates. A 10% change in market interest rates would not have a material effect on the Company's pre-tax earnings, cash flows or fair value. At September 30, 2001,

the Company had an insignificant amount of foreign currency derivative financial instruments in place. The Company does not hold any financial instrument for trading purposes.

PART II - OTHER INFORMATION

Item 2(c) CHANGES IN SECURITIES

(1) On July 2, 2001, the Registrant acquired 100% of the capital stock of a foreign company in consideration for which Registrant paid $3,549,728 in cash and issued without registration 92,648 shares of Common Stock, par value $.10 per share, of the Registrant ("Interpublic Stock") to the shareholders of the acquired company. The shares of Interpublic Stock were valued at $3,549,728 on the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in an "offshore transaction" and solely to "non-U.S. persons" in reliance on Rule 903(b)(3) of Regulation S under the Securities Act of 1933, as amended (the "Securities Act").

(2) On July 2, 2001, the Registrant issued 11,255 shares of Interpublic Stock to the former shareholders of a company which was acquired in the second quarter of 2000. This represented a deferred payment of the purchase price. The shares of Interpublic Stock were valued at $352,113 on the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in reliance on Section 4(2) under the Securities Act, based on the sophistication of the acquired company's former stockholders.

(3) On July 3, 2001, the Registrant issued 2,020 shares of Interpublic Stock and on July 24, 2001 paid $535,677.11 in cash to the former shareholders of two related companies which were acquired in the third quarter of 2000. This represented a deferred payment of the purchase price. The shares of Interpublic Stock were valued at $59,973.80 on the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in an "offshore transaction" and solely to "non-U.S. persons" in reliance on Rule 903(b)(3) of Regulation S under the Securities Act.

(4) On July 6, 2001, a subsidiary of the Registrant acquired 18.24% of the stock of a company in consideration for which the Registrant paid $11,809,000 in cash and issued 39,044 shares of Interpublic Stock to the shareholders of the company. The shares of Interpublic Stock had a market value of $1,180,877.30 as of the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in reliance on Section 4(2) under the Securities Act, based on the sophistication of the company's shareholders.

(5) On July 6, 2001, the Registrant paid $412,500 in cash and issued 4,853 shares of Interpublic Stock to the sole stockholder of a domestic company which was acquired by Registrant in the third quarter of 1999. This represented a deferred payment of the purchase price. The shares of Interpublic Stock were valued at $137,500 on the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in reliance on Section 4(2) under the Securities Act, based on the sophistication of the acquired company's stockholder.

(6) On July 13, 2001, the Registrant issued 140,124 shares of Interpublic Stock to the former shareholders of a company which was acquired in the third quarter of 1995. This represented a deferred payment of the purchase price. The shares of Interpublic Stock were valued at $4,000,000 on the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in an "offshore transaction" and solely to "non-U.S. persons" in reliance on Rule 903(b)(3) of Regulation S under the Securities Act.

(7) On July 17, 2001, the Registrant acquired 100% of the capital stock of a foreign company in consideration for which Registrant paid $3,747,764 in cash and issued without registration 130,812 shares of Interpublic Stock to the shareholders of the acquired company. The shares of Interpublic Stock were valued at $3,758,000 on the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in an "offshore transaction" and solely to "non-U.S. persons" in reliance on Rule 903(b)(3) of Regulation S under the Securities Act of 1933.

(8) On July 19, 2001, the Registrant issued 81,839 shares of Interpublic Stock to the former shareholders of a company which was acquired in the first quarter of 1999. This represented a deferred payment of the purchase price. The shares of Interpublic Stock were valued at $2,922,949 on the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in reliance on Section 4(2) under the Securities Act, based on the sophistication of the acquired company's former stockholders.

(9) On July 20, 2001, the Registrant issued 3,568 shares of Interpublic Stock to the former shareholders of a company which was acquired by a subsidiary of the Registrant in the fourth quarter of 2000. This represented an additional payment of the purchase price. The shares of Interpublic Stock were valued at $106,000 on the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in an "offshore transaction" and solely to "non-U.S. persons" in reliance on Rule 903(b)(3) of Regulation S under the Securities Act.

(10) On August 1, 2001, the Registrant acquired substantially all of the assets of a company in consideration for which the Registrant paid $9,540,000 in cash and issued 115,624 shares of Interpublic Stock to the shareholder of the company. The shares of Interpublic Stock had a market value of $3,180,000 as of the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in reliance on Section 4(2) under the Securities Act, based on the sophistication

of the company's shareholder.

(11) On August 13, 2001, the Registrant acquired substantially all of the assets of a company in consideration for which the Registrant paid $2,550,000 in cash and issued 30,243 shares of Interpublic Stock to the company. The shares of Interpublic Stock had a market value of $850,000 as of the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in reliance on Section 4(2) under the Securities Act, based on the sophistication of the acquired company and its shareholders.

(12) On August 16, 2001, a subsidiary of the Registrant acquired 100% of the stock of a company in consideration for which the Registrant paid $1,050,000 in cash and issued 37,566 shares of Interpublic Stock to the shareholders of the company. The shares of Interpublic Stock had a market value of $1,050,000 as of the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in reliance on Section 4(2) under the Securities Act, based on the sophistication of the company's shareholders.

(13) On August 28, 2001, the Registrant paid $200,000 and issued 6,609 shares of Interpublic Stock to the former shareholders of a company which was acquired in the third quarter of 2001. This represented a deferred payment of the purchase price. The shares of Interpublic Stock were valued at $194,622 on the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in an "offshore transaction" and solely to "non-U.S. persons" in reliance on Rule 903(b)(3) of Regulation S under the Securities Act.

(14) On August 31, 2001, the Registrant issued 11,784 shares of Interpublic Stock to the former shareholders of a company which was acquired in the third quarter of 2000. This represented a deferred payment of the purchase price. The shares of Interpublic Stock were valued at $323,668 on the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in an "offshore transaction" and solely to "non-U.S. persons" in reliance on Rule 903(b)(3) of Regulation S under the Securities Act.

(15) On September 4, 2001, the Registrant issued 126,355 shares of Interpublic Stock to the former shareholders of a company which was acquired in the third quarter of 1997. This represented a deferred payment of the purchase price. The shares of Interpublic Stock were valued at $3,450,000 on the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in an "offshore transaction" and solely to "non-U.S. persons" in reliance on Rule 903(b)(3) of Regulation S under the Securities Act.

(16) On September 20, 2001, the Registrant issued 21,990 shares of Interpublic Stock and on September 26, 2001 paid $684,022.47 in cash to the former shareholders of a company which was acquired in the fourth quarter of 1999. This represented a deferred payment of the purchase price. The shares of Interpublic Stock were valued at $470,586 on the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in an "offshore transaction" and solely to "non-U.S. persons" in reliance on Rule 903(b)(3) of Regulation S under the Securities Act.

(17) On September 24, 2001, the Registrant paid $255,772 and issued 2,420 shares of Interpublic Stock to the former shareholders of a company which was acquired in the third quarter of 2000. This represented a deferred payment of the purchase price. The shares of Interpublic Stock were valued at $85,257 on the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in an "offshore transaction" and solely to "non-U.S. persons" in reliance on Rule 903(b)(3) of Regulation S under the Securities Act of 1933.

(18) On September 24, 2001, a subsidiary of the Registrant acquired 51% of the stock of a company in consideration for which the Registrant paid $7,936,736 in cash and issued 152,641 shares of Interpublic Stock to the shareholders of the company. The shares of Interpublic Stock had a market value of $3,401,458 as of the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in reliance on Section 4(2) under the Securities Act, based on the sophistication of the company's shareholders.

(19) On September 28, 2001 the Registrant issued 6,775 shares of Interpublic Stock and on October 8, 2001 the Registrant made a payment of $181,000 to the former shareholders of a company which was acquired in the third quarter of 1999. This represented a deferred payment of the purchase price. The shares of Interpublic Stock were valued at $180,941 on the date of issuance.

The shares of Interpublic Stock were issued by the Registrant without registration in reliance on Section 4(2) under the Securities Act, based on the sophistication of the acquired company's former stockholders.

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

(a) EXHIBITS

EXHIBIT NO.	DESCRIPTION
4 (a)	Indenture, dated as of October 20, 2000 between The Interpublic Group of Companies, Inc. ("Interpublic") and The Bank of New York (the "Base Indenture"). Pursuant to Sections 601(b)(4)(iii) and (v) of Regulation S-K, the Base Indenture is not being filed by the Registrant in this

Report. The Registrant hereby agrees to furnish a copy of the Base Indenture to the Securities and Exchange Commission upon request.

4 (b)	First Supplemental Indenture, dated as of August 22, 2001 to the Base Indenture between Interpublic and the Bank of New York. Pursuant to Sections 601(b) (4) (iii) and (v) of Regulation S-K, the First Supplemental Indenture is not being filed by the Registrant in this Report. The Registrant hereby agrees to furnish a copy of this First Supplemental Indenture to the Securities and Exchange Commission upon request.
4 (c)	Registration Rights Agreement, dated August 17, 2001 among Interpublic, J.P. Morgan Securities Inc., Morgan Stanley & Co. Incorporated and Salomon Smith Barney, Inc.
10(a)	Instrument of Restricted Stock, dated August 23, 2001 between Registrant and David Bell.
10(b)	Instrument of Restricted Stock, dated August 23, 2001 between Registrant and J. Brendan Ryan.
10(c)	Option Certificate, dated August 23, 2001 between Registrant and David Bell.
10(d)	Option Certificate dated August 23, 2001 between Registrant and J. Brendan Ryan.
10(e)	Amendment No. 1, dated as of September 27, 2001, To The 364-Day Credit Agreement, dated June 26, 2001, among Interpublic, the banks, financial institutions and other institutional lenders parties thereto (the "Lenders") and Citibank, N.A. as administrative agent for the Lenders.
10(f)	Amendment No. 2, dated as of September 27, 2001, To The Five Year Credit Agreement, dated June 27, 2000, as amended among Interpublic, the banks, financial institutions and other institutional lenders parties thereto (the "Lenders") and Citibank, N.A., as administrative agent for the Lenders.
11	Statement re: Computation of Per Share Earnings.

(b) REPORTS ON FORM 8-K.

The following Reports on Form 8-K were filed during the quarter ended September 30, 2001. Unless otherwise specifically stated, the financial statements filed are those of the Registrant and its Consolidated Subsidiaries:

1) Report, dated July 26, 2001. Item 5 Other Events and Exhibit 99 Press Release.

2) Report, dated August 10, 2001. Item 5 Other Events. Item 7 Financial Statements and Exhibits. Exhibit 99. Supplemental Consolidated Balance Sheet at December 31, 2000 and 1999; Supplemental Consolidated Statement of Income for the Years Ended December 31, 2000, 1999 and 1998; Supplemental Consolidated Statement of Cash Flows for the Years Ended December 31, 2000, 1999 and 1998; Supplemental Consolidated Statement of Stockholders' Equity and Comprehensive Income for the Years Ended December 31, 2000, 1999 and 1998; Selected Financial Data for Five Years; Results by Quarter (Unaudited); Supplemental Consolidated Financial Statement Schedule; and Schedule II: Valuation and Qualifying Accounts.

3) Report, dated August 23, 2001, amending Report on Form 8-K, dated June 22, 2001. Item 7 Financial Statements and Exhibits. Consolidated Balance Sheet of True North Communications Inc. ("True North") at December 31, 2000 and 1999; Consolidated Statements of Income, Consolidated Statements of Cash Flow and Consolidated Statements of Stockholders' Equity of True North for the years ended December 31, 2000, 1999 and 1998.

4) Report, dated September 18, 2001. Item 5 Other Events. Item 7 Financial Statements and Exhibits. Exhibit 99. Consolidated Balance Sheet at December 31, 2000 and 1999; Consolidated Statement of Income for the Years Ended December 31, 2000, 1999 and 1998; Consolidated Statement of Cash Flows for the Years Ended December 31, 2000, 1999 and 1998; Consolidated Statement of Stockholders' Equity and Comprehensive Income for the Years Ended December 31, 2000, 1999 and 1998; Selected Financial Data for Five Years; Results by Quarter (Unaudited); Consolidated Financial Statement Schedule; and Schedule II: Valuation and Qualifying Accounts.

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 14, 2001

BY /S/ JOHN J. DOONER, JR.
JOHN J. DOONER, JR.
Chairman of the Board, President
and Chief Executive Officer

Date: November 14, 2001

BY /S/ SEAN F. ORR
SEAN F. ORR
Executive Vice President
and Chief Financial Officer

INDEX TO EXHIBITS

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4 (b)	First Supplemental Indenture, dated as of August 22, 2001 to the Base Indenture between Interpublic and the Bank of New York. Pursuant to Sections 601(b) (4) (iii) and (v) of Regulation S-K, the First Supplemental Indenture is not being filed by the Registrant in this Report. The Registrant hereby agrees to furnish a copy of this First Supplemental Indenture to the Securities and Exchange Commission upon request.
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11	Statement re: Computation of Per Share Earnings.

EXHIBIT 4 (c)

Execution Copy

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (the "Agreement") is made and entered into as of August 17, 2001, between THE INTERPUBLIC GROUP OF COMPANIES, INC., a Delaware corporation (the "Company"), and J.P. MORGAN SECURITIES INC., MORGAN STANLEY & CO. INCORPORATED and SALOMON SMITH BARNEY INC. (collectively, the "Placement Agents").

This Agreement is made pursuant to the Placement Agreement dated August 17, 2001, between the Company and the Placement Agents (the "Placement Agreement"), which provides for the sale by the Company to the Placement Agents of an aggregate of $500,000,000 principal amount of the Company's 7 1/4% Notes Due 2011 (the "Securities"). In order to induce the Placement Agents to enter into the Placement Agreement, the Company has agreed to provide to the Placement Agents and their direct and indirect transferees the registration rights set forth in this Agreement. The execution of this Agreement is a condition to the closing under the Placement Agreement.

In consideration of the foregoing, the parties hereto agree as follows:

1. Definitions.

As used in this Agreement, the following capitalized defined terms shall have the following meanings:

"1933 Act" shall mean the Securities Act of 1933, as amended from time to time.

"1934 Act" shall mean the Securities Exchange Act of 1934, as amended from time to time.

"Additional Interest" shall have the meaning set forth in Section 2(d).

"Closing Date" shall mean the Closing Date as defined in the Placement Agreement.

"Company" shall have the meaning set forth in the preamble and shall also include the Company's successors.

"Exchange Dates" shall have the meaning set forth in Section 2(a)(ii).

"Exchange Offer" shall mean the exchange offer by the Company of Exchange Securities for Registrable Securities pursuant to Section 2(a) hereof.

"Exchange Offer Registration" shall mean a registration under the 1933 Act effected pursuant to Section 2(a) hereof.

"Exchange Offer Registration Statement" shall mean an exchange offer registration statement on Form S-4 (or, if applicable, on another appropriate form) and all amendments and supplements to such registration statement, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

"Exchange Securities" shall mean securities issued by the Company under the Indenture containing terms identical to the Securities (except that the Exchange Securities will not contain restrictions on transfer) and to be offered to Holders of Securities in exchange for Securities pursuant to the Exchange Offer.

"Filing Date" means with respect to the Shelf Registration Statement required to be filed pursuant to Section 2(b)(iii), the 60th day after the delivery of a notice pursuant to Section 2(b)(iii).

"Holder" shall mean the Placement Agents, for so long as they own any Registrable Securities, and each of their successors, assigns and direct and indirect transferees who become registered owners of Registrable Securities under the Indenture; provided that for purposes of Sections 4 and 5 of this Agreement, the term "Holder" shall include Participating Broker-Dealers (as defined in Section 4(a)).

"Indenture" shall mean the Indenture relating to the Securities dated as of October 20, 2000 between the Company and The Bank of New York, as trustee, as supplemented by the Supplemental Indenture dated as of August 22, 2001 between the Company and The Bank of New York, as trustee, and as the same may be amended from time to time in accordance with the terms thereof.

"Majority Holders" shall mean the Holders of a majority of the aggregate principal amount of outstanding Registrable Securities; provided that whenever the consent or approval of Holders of a specified percentage of Registrable Securities is required hereunder, Registrable Securities held by the Company or any of its affiliates (as such term is defined in Rule 405 under the 1933 Act) (other than the Placement Agents or subsequent Holders of Registrable Securities if such subsequent holders are deemed to be such affiliates solely

by reason of their holding of such Registrable Securities) shall not be counted in determining whether such consent or approval was given by the Holders of such required percentage or amount.

"Participating Broker-Dealer" shall have the meaning set forth in Section 4(a).

"Person" shall mean an individual, partnership, limited liability company, corporation, trust or unincorporated organization, or a government or agency or political subdivision thereof.

"Placement Agents" shall have the meaning set forth in the preamble.

"Placement Agreement" shall have the meaning set forth in the preamble.

"Prospectus" shall mean the prospectus included in a Registration Statement, including any preliminary prospectus, and any such prospectus as amended or supplemented by any prospectus supplement, including a prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities covered by a Shelf Registration Statement, and by all other amendments and supplements to such prospectus, and in each case including all material incorporated by reference therein.

"Registrable Securities" shall mean the Securities; provided, however, that the Securities shall cease to be Registrable Securities (i) when an Exchange Offer Registration Statement with respect to such Securities shall have been declared effective under the 1933 Act and such Securities shall have been exchanged pursuant to the Exchange Offer for Exchange Securities, (ii) when a Shelf Registration Statement with respect to such Securities shall have been declared effective under the 1933 Act and such Securities shall have been disposed of pursuant to such Shelf Registration Statement, (iii) when such Securities have been sold to the public pursuant to Rule 144(k) (or any similar provision then in force, but not Rule 144A) under the 1933 Act or (iv) when such Securities shall have ceased to be outstanding.

"Registration Expenses" shall mean any and all expenses incident to performance of or compliance by the Company with this Agreement, including without limitation: (i) all SEC, stock exchange or National Association of Securities Dealers, Inc. registration and filing fees, (ii) all fees and expenses incurred in connection with compliance with state securities or blue sky laws (including reasonable fees and disbursements of counsel for any underwriters or Holders in connection with blue sky qualification of any of the Exchange Securities or Registrable Securities), (iii) all expenses of any Persons in preparing or assisting in preparing, word processing, printing and distributing any Registration Statement, any Prospectus, any amendments or supplements thereto, any underwriting agreements, securities sales agreements and other documents relating to the performance of and compliance with this Agreement, (iv) all rating agency fees, (v) all fees and disbursements relating to the qualification of the Indenture under applicable securities laws, (vi) the fees and disbursements of the Trustee and its counsel, (vii) the fees and disbursements of counsel for the Company and, in the case of a Shelf Registration Statement, the reasonable fees and disbursements of one counsel for the Holders (which counsel shall be selected by the Majority Holders and which counsel may also be counsel for the Placement Agents) and (viii) the fees and disbursements of the independent public accountants of the Company, including the expenses of any special audits or "cold comfort" letters required by or incident to such performance and compliance, but excluding fees and expenses of counsel to the underwriters (other than fees and expenses set forth in clause (ii) above) or the Holders and underwriting discounts and commissions and transfer taxes, if any, relating to the sale or disposition of Registrable Securitie s by a Holder.

"Registration Statement" shall mean any registration statement of the Company that covers any of the Exchange Securities or Registrable Securities pursuant to the provisions of this Agreement and all amendments and supplements to any such Registration Statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

"SEC" shall mean the Securities and Exchange Commission.

"Securities" shall have the meaning set forth in the preamble.

"Shelf Registration" shall mean a registration effected pursuant to Section 2(b) hereof.

"Shelf Registration Statement" shall mean a "shelf" registration statement of the Company pursuant to the provisions of Section 2(b) of this Agreement which covers all of the Registrable Securities (but no other securities unless approved by the Holders whose Registrable Securities are covered by such Shelf Registration Statement) on an appropriate form under Rule 415 under the 1933 Act, or any similar rule that may be adopted by the SEC, and all amendments and supplements to such registration statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

"Trustee" shall mean the trustee with respect to the Securities under the Indenture.

"Underwriter" shall have the meaning set forth in Section 3 hereof.

"Underwritten Registration" or "Underwritten Offering" shall mean a registration in which Registrable Securities are sold to an Underwriter for reoffering to the public.

2. Registration Under the 1933 Act.

(a) To the extent not prohibited by any applicable law or applicable interpretation of the Staff of the SEC, the Company shall use commercially reasonable efforts to cause to be filed an Exchange Offer Registration Statement covering the offer by the Company to the Holders to exchange all of the Registrable Securities for Exchange Securities, to cause such Exchange Offer Registration Statement to be declared effective and to have such Exchange Offer Registration Statement remain effective until the closing of the Exchange Offer. The Company shall commence the Exchange Offer promptly after the Exchange Offer Registration Statement has been declared effective by the SEC and use commercially reasonable efforts to have the Exchange Offer consummated not later than 30 days after such effective date.

The Company shall commence the Exchange Offer by mailing the related exchange offer Prospectus and accompanying documents to each Holder stating, in addition to such other disclosures as are required by applicable law:

(i) that the Exchange Offer is being made pursuant to this Registration Rights Agreement and that all Registrable Securities validly tendered will be accepted for exchange;

(ii) the dates of acceptance for exchange (which shall be a period of at least 20 business days from the date such notice is mailed) (the "Exchange Dates");

(iii) that any Registrable Security not tendered will remain outstanding and continue to accrue interest, but will not retain any rights under this Registration Rights Agreement;

(iv) that Holders electing to have a Registrable Security exchanged pursuant to the Exchange Offer will be required to surrender such Registrable Security, together with the enclosed letters of transmittal, to the institution and at the address (located in the Borough of Manhattan, The City of New York) specified in the notice prior to the close of business on the last Exchange Date; and

(v) that Holders will be entitled to withdraw their election, not later than the close of business, New York City time, on the last Exchange Date, by sending to the institution and at the address (located in the Borough of Manhattan, The City of New York) specified in the notice a telegram, telex, facsimile transmission or letter setting forth the name of such Holder, the principal amount of Registrable Securities delivered for exchange and a statement that such Holder is withdrawing his election to have such Securities exchanged.

As soon as practicable after the last Exchange Date, the Company shall:

(i) accept for exchange Registrable Securities or portions thereof tendered and not validly withdrawn pursuant to the Exchange Offer; and

(ii) deliver, or cause to be delivered, to the Trustee for cancellation all Registrable Securities or portions thereof so accepted for exchange by the Company and issue, and cause the Trustee to promptly authenticate and mail to each Holder, an Exchange Security equal in principal amount to the principal amount of the Registrable Securities surrendered by such Holder.

The Company shall use commercially reasonable efforts to complete the Exchange Offer as provided above and shall comply with the applicable requirements of the 1933 Act, the 1934 Act and other applicable laws and regulations in connection with the Exchange Offer. The Exchange Offer shall not be subject to any conditions, other than that the Exchange Offer does not violate applicable law or any applicable interpretation of the Staff of the SEC. The Company shall inform the Placement Agents of the names and addresses of the Holders to whom the Exchange Offer is made, and the Placement Agents shall have the right, subject to applicable law, to contact such Holders and otherwise facilitate the tender of Registrable Securities in the Exchange Offer.

(b) In the event that (i) the Company determines that the Exchange Offer Registration provided for in Section 2(a) above is not available or may not be consummated as soon as practicable after the last Exchange Date because it would violate applicable law or the applicable interpretations of the Staff of the SEC, (ii) the Exchange Offer is not for any other reason consummated by the 210th day after the Closing Date or (iii) the Exchange Offer has been completed and in the opinion of counsel for the Placement Agents a Registration Statement must be filed and a Prospectus must be delivered by the Placement Agents in connection with any offering or sale of Registrable Securities, the Company shall use commercially reasonable efforts to cause to be filed as soon as practicable after such determination, date or notice of such opinion of counsel is given to the Company, as the case may be, a Shelf Registration Statement providing for the sale by the Holders of all of the Registrable Securities and to use commercially reasonable efforts to have such Shelf Registration Statement declared effective by the SEC. In the event the Company is required to file a Shelf Registration Statement solely as a result of the matters referred to in clause (iii) of the preceding sentence, the Company shall use commercially reasonable efforts to file and have declared effective by the SEC both an Exchange Offer Registration Statement pursuant to Section 2(a) with respect to all Registrable Securities and a Shelf Registration Statement (which may be a combined Registration Statement with the Exchange Offer Registration Statement) with respect to offers and sales of Registrable Securities held by the Placement Agents after completion of the Exchange Offer. The Company agrees to use commercially reasonable efforts to keep the Shelf Registration Sta tement continuously effective until the expiration of the period referred to in Rule 144(k) with respect to the Registrable Securities or such shorter period that will terminate when all of the Registrable Securities covered by the Shelf Registration Statement have been sold pursuant to the Shelf Registration Statement. The Company further agrees to supplement or amend the Shelf Registration Statement if required by the rules, regulations or instructions applicable to the registration form used by the Company for such Shelf Registration Statement or by the 1933 Act or by any other rules and regulations thereunder for shelf registration or if reasonably requested by a Holder with respect to information relating to such Holder, and to use commercially reasonable efforts to cause any such amendment to become effective and such Shelf Registration Statement to become usable as soon as thereafter practicable. The Company agrees to furnish to the Holders of Registrable Securities copies of any such supplement or am endment promptly after its being used or filed with the SEC.

(c) The Company shall pay all Registration Expenses in connection with the registration pursuant to Section 2(a) or Section 2(b). Each Holder shall pay all underwriting discounts and commissions and transfer taxes, if any, relating to the sale or disposition of such Holder's Registrable Securities pursuant

to the Shelf Registration Statement.

(d) An Exchange Offer Registration Statement pursuant to Section 2(a) hereof or a Shelf Registration Statement pursuant to Section 2(b) hereof will not be deemed to have become effective unless it has been declared effective by the SEC; provided, however, that, if, after it has been declared effective, the offering of Registrable Securities pursuant to a Shelf Registration Statement is interfered with by any stop order, injunction or other order or requirement of the SEC or any other governmental agency or court, such Registration Statement will be deemed not to have become effective during the period of such interference until the offering of Registrable Securities pursuant to such Registration Statement may legally resume. As provided for in the Indenture, in the event the Exchange Offer is not consummated and the S helf Registration Statement is not declared effective as set forth below, then the interest rate on the Securities will be increased (the "Additional Interest") as follows:

(i) if (A) neither the Exchange Offer Registration Statement nor a Shelf Registration Statement has been filed with the SEC on or prior to the120th day after the Closing Date or (B) the Company is required to file a Shelf Registration Statement pursuant to Section 2(b)(iii) hereof and such Shelf Registration Statement is not filed on or prior to the Filing Date applicable thereto then, commencing on the day after either such 120th day in the case of clause (A) or such Filing Date in the case of clause (B), Additional Interest shall accrue on the principal amount of the Registrable Securities at a rate of .25% per annum for the first 90 days immediately following thereafter, and such Additional Interest rate shall increase by an additional .25% per annum at the beginning of each subsequent 90-day period; or

(ii) if (A) neither the Exchange Offer Registration Statement nor a Shelf Registration Statement is declared effective by the SEC on or prior to the 180th day after the Closing Date or (B) the Company is required to file a Shelf Registration Statement pursuant to Section 2(b)(iii) hereof and such Shelf Registration Statement is not declared effective by the SEC on or prior to the 60th day following the Filing Date applicable thereto then, commencing on the day after either such 180th day in the case of Clause (A) or such 60th day following such Filing Date in the case of Clause (B), Additional Interest shall accrue on the principal amount of the Registrable Securities at a rate of .25% per annum for the first 90 days immediately following thereafter, and such Additional Interest rate shall increase by an additional .25% per annum at the beginning of each su bsequent 90-day period; or

(iii) if (A) the Company has not exchanged Exchange Securities for all Securities validly tendered in accordance with the terms of the Exchange Offer on or prior to the 210th day after the Closing Date or (B) if applicable, the Shelf Registration Statement has been declared effective and such Shelf Registration Statement ceases to be effective at any time prior to the second anniversary of the Closing Date or, if earlier, the date when all Securities have been disposed of thereunder), then Additional Interest shall accrue on the principal amount of the Registrable Securities at a rate of .25% per annum for the first 90 days commencing on (x) the 211th day after the Closing Date, in the case of (A) above, or (y) the day such Shelf Registration Statement ceases to be effective in the case of (B) above, and such Additional Interest rate shall increase by an additional .25% per annum at the beginning of each subsequent 90-day period (it being understood and agreed that, notwithstanding any provision to the contrary, so long as any Securities not registered under an Exchange Offer Registration Statement are then covered by an effective Shelf Registration, no Additional Interest shall accrue on such Securities);

provided, *however*, that the Additional Interest rate on the Securities may not exceed in the aggregate 0.5% per annum; *provided further*, *however*, that in no event shall the Company be obligated to pay Additional Interest under more than one of the clauses in this Section 2(d) at any one time); *provided further*, *however*, that (1) upon the filing of the Exchange Offer Registration Statement or a Shelf Registration Statement (in the case of clause (i)(A) above) or a Shelf Registration Statement (in the case of clause (ii)(B) above), (2) upon the effectiveness of the Exchange Offer Registration or a Shelf Registration Statement (in the case of clause (ii)(A) above) or a Shelf Registration Statement (in the case of clause (i)(B) above), or (3) upon the exchange of Exchange Securities for all Securities tendered (in the case of clause (iii)(A) above), or upon the effectiveness of the Shelf Registration Statement which had ceased to remain effective (in the case of clause (iii)(B) above), Additional Interest on the Securities as a result of such clause (or the relevant subclause thereof), as the case may be, shall cease to accrue.

(e) Without limiting the remedies available to the Placement Agents and the Holders, the Company acknowledges that any failure by the Company to comply with its obligations under Section 2(a) and Section 2(b) hereof may result in material irreparable injury to the Placement Agents or the Holders for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of any such failure, the Placement Agents or any Holder may seek to obtain such relief as may be required to specifically enforce the Company's obligations under Section 2(a) and Section 2(b) hereof.

3. Registration Procedures.

In connection with the obligations of the Company with respect to the Registration Statements pursuant to Section 2(a) and Section 2(b) hereof, the Company shall as expeditiously as possible:

(a) prepare and file with the SEC a Registration Statement on the appropriate form under the 1933 Act, which form (x) shall be selected by the Company and (y) shall, in the case of a Shelf Registration, be available for the sale of the Registrable Securities by the selling Holders thereof and (z) shall comply as to form in all material respects with the requirements of the applicable form and include all financial statements required by the SEC to be filed therewith, and use commercially reasonable efforts to cause such Registration Statement to become effective and remain effective in accordance with Section 2 hereof;

(b) prepare and file with the SEC such amendments and post-effective amendments to each Registration Statement as may be necessary to keep such Registration Statement effective for the applicable period and cause each Prospectus to be supplemented by any required prospectus supplement and, as so supplemented, to be filed pursuant to Rule 424 under the 1933 Act; to keep each

Prospectus current during the period described under Section 4(3) and Rule 174 under the 1933 Act that is applicable to transactions by brokers or dealers with respect to the Registrable Securities or Exchange Securities;

(c) in the case of a Shelf Registration, furnish to each Holder of Registrable Securities, to counsel for the Placement Agents, to counsel for the Holders and to each Underwriter of an Underwritten Offering of Registrable Securities, if any, without charge, as many copies of each Prospectus, including each preliminary Prospectus, and any amendment or supplement thereto and such other documents as such Holder or Underwriter may reasonably request, in order to facilitate the public sale or other disposition of the Registrable Securities; and the Company consents to the use of such Prospectus and any amendment or supplement thereto in accordance with applicable law by each of the selling Holders of Registrable Securities and any such Underwriters in connection with the offering and sale of the Registrable Securities covered by and in the manner described in such Prospectus or any amen dment or supplement thereto in accordance with applicable law;

(d) use commercially reasonable efforts to register or qualify the Registrable Securities under all applicable state securities or "blue sky" laws of such jurisdictions as any Holder of Registrable Securities covered by a Registration Statement shall reasonably request in writing by the time the applicable Registration Statement is declared effective by the SEC, to cooperate with such Holders in connection with any filings required to be made with the National Association of Securities Dealers, Inc. and do any and all other acts and things which may be reasonably necessary or advisable to enable such Holder to consummate the disposition in each such jurisdiction of such Registrable Securities owned by such Holder; provided, however, that the Company shall not be required to (i) qualify as a foreign corporation or as a dealer in securities in any jurisdiction wher e it would not otherwise be required to qualify but for this Section 3(d), (ii) file any general consent to service of process or (iii) subject itself to taxation in any such jurisdiction if it is not so subject;

(e) in the case of a Shelf Registration, notify each Holder of Registrable Securities, counsel for the Holders and counsel for the Placement Agents promptly and, if requested by any such Holder or counsel, confirm such advice in writing (i) when a Registration Statement has become effective and when any post-effective amendment thereto has been filed and becomes effective, (ii) of any request by the SEC or any state securities authority for amendments and supplements to a Registration Statement and Prospectus or for additional information after the Registration Statement has become effective, (iii) of the issuance by the SEC or any state securities authority of any stop order suspending the effectiveness of a Registration Statement or the initiation of any proceedings for that purpose, (iv) if, between the effective date of a Registration Statement and the closing of any sale of Re gistrable Securities covered thereby, the representations and warranties of the Company contained in any underwriting agreement, securities sales agreement or other similar agreement, if any, relating to the offering cease to be true and correct in all material respects or if the Company receives any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation of any proceeding for such purpose, (v) of the happening of any event during the period a Shelf Registration Statement is effective which makes any statement made in such Registration Statement or the related Prospectus untrue in any material respect or which requires the making of any changes in such Registration Statement or Prospectus in order to make the statements therein not misleading and (vi) of any determination by the Company that a post-effective amendment to a Registration Statement would be appropriate;

(f) make every reasonable effort to obtain the withdrawal of any order suspending the effectiveness of a Registration Statement at the earliest possible moment and provide immediate notice to each Holder of the withdrawal of any such order;

(g) in the case of a Shelf Registration, furnish to each Holder of Registrable Securities, without charge, at least one conformed copy of each Registration Statement and any post-effective amendment thereto (without documents incorporated therein by reference or exhibits thereto, unless requested);

(h) in the case of a Shelf Registration, cooperate with the selling Holders of Registrable Securities to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any restrictive legends and enable such Registrable Securities to be in such denominations (consistent with the provisions of the Indenture) and registered in such names as the selling Holders may reasonably request at least one business day prior to the closing of any sale of Registrable Securities;

(i) in the case of a Shelf Registration, upon the occurrence of any event contemplated by Section 3(e)(v) hereof, use its best efforts to prepare and file with the SEC a supplement or post-effective amendment to a Registration Statement or the related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of the Registrable Securities, such Prospectus will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; the Company agrees to notify the Holders to suspend use of the Prospectus as promptly as practicable after the occurrence of such an event, and the Holders hereby agree to suspend use of the Prospectus until the Company has amended or supple mented the Prospectus to correct such misstatement or omission;

(j) a reasonable time prior to the filing of any Registration Statement, any Prospectus, any amendment to a Registration Statement or amendment or supplement to a Prospectus or any document which is to be incorporated by reference into a Registration Statement or a Prospectus after initial filing of a Registration Statement, provide copies of such document to the Placement Agents and their counsel (and, in the case of a Shelf Registration Statement, the Holders and their counsel) and make such of the representatives of the Company as shall be reasonably requested by the Placement Agents or their counsel (and, in the case of a Shelf Registration Statement, the Holders or their counsel) available for discussion of such document, and shall not at any time file or make any amendment to the Registration Statement, any Prospectus or any amendment of or supplement to a Registration Statem ent or a Prospectus or any document which is to be incorporated by reference into a Registration Statement or a Prospectus, of which the Placement Agents and their counsel (and, in the case of a Shelf Registration Statement, the Holders and their counsel) shall not have previously been advised and furnished a copy or to which the Placement Agents or their counsel (and, in the case of a Shelf Registration Statement, the Holders or their counsel) shall object;

(k) obtain a CUSIP number for all Exchange Securities or Registrable Securities, as the case may be, not later than the effective date of a Registration Statement;

(l)cause the Indenture to be qualified under the Trust Indenture Act of 1939, as amended (the "TIA"), in connection with the registration of the Exchange Securities or Registrable Securities, as the case may be, cooperate with the Trustee and the Holders to effect such changes to the Indenture as may be required for the Indenture to be so qualified in accordance with the terms of the TIA and execute, and use its best efforts to cause the Trustee to execute, all documents as may be required to effect such changes and all other forms and documents required to be filed with the SEC to enable the Indenture to be so qualified in a timely manner;

(m) in the case of a Shelf Registration, make available for inspection by a representative of the Holders of the Registrable Securities, any Underwriter participating in any disposition pursuant to such Shelf Registration Statement, and attorneys and accountants designated by the Holders, at reasonable times and in a reasonable manner, all financial and other records, pertinent documents and properties of the Company, and cause the respective officers, directors and employees of the Company to supply all information reasonably requested by any such representative, Underwriter, attorney or accountant in connection with a Shelf Registration Statement;

(n) in the case of a Shelf Registration, use commercially reasonable efforts to cause all Registrable Securities to be listed on any securities exchange or any automated quotation system on which similar securities issued by the Company are then listed if requested by the Majority Holders, to the extent such Registrable Securities satisfy applicable listing requirements;

(o) use commercially reasonable efforts to cause the Exchange Securities to continue to be rated by two nationally recognized statistical rating organizations (as such term is defined in Rule 436(g)(2) under the 1933 Act), if the Registrable Securities have been rated;

(p) if reasonably requested by any Holder of Registrable Securities covered by a Registration Statement, (i) promptly incorporate in a Prospectus supplement or post-effective amendment such information with respect to such Holder as such Holder reasonably requests to be included therein and (ii) make all required filings of such Prospectus supplement or such post-effective amendment as soon as the Company has received notification of the matters to be incorporated in such filing; and

(q) in the case of a Shelf Registration, enter into such customary agreements and take all such other actions in connection therewith (including those requested by the Holders of a majority of the Registrable Securities being sold) in order to expedite or facilitate the disposition of such Registrable Securities including, but not limited to, an Underwritten Offering and in such connection, (i) to the extent possible, make such representations and warranties to the Holders and any Underwriters of such Registrable Securities with respect to the business of the Company and its subsidiaries, the Registration Statement, Prospectus and documents incorporated by reference or deemed incorporated by reference, if any, in each case, in form, substance and scope as are customarily made by issuers to underwriters in underwritten offerings and confirm the same in writing if and when requested, (ii) obtain opinions of counsel to the Company (which counsel and opinions, in form, scope and substance, shall be reasonably satisfactory to the Holders and such Underwriters and their respective counsel) addressed to each selling Holder and Underwriter of Registrable Securities, covering the matters customarily covered in opinions requested in underwritten offerings, (iii) obtain "cold comfort" letters from the independent certified public accountants of the Company (and, if necessary, any other certified public accountant of any subsidiary of the Company, or of any business acquired by the Company for which financial statements and financial data are or are required to be included in the Registration Statement) addressed to each selling Holder and Underwriter of Registrable Securities, such letters to be in customary form and covering matters of the type customarily covered in "cold comfort" letters in connection with underwritten offerings and (iv) deliver such documents and certificates as may be reasonably requested by the Holders of a majority in principal amount of the Registrable Securities being sold or the Underwriters, and which are customarily delivered in underwritten offerings, to evidence the continued validity of the

representations and warranties of the Company made pursuant to clause (i) above and to evidence compliance with any customary conditions contained in an underwriting agreement.

In the case of a Shelf Registration Statement, the Company may require each Holder of Registrable Securities to furnish to the Company such information regarding the Holder and the proposed distribution by such Holder of such Registrable Securities as the Company may from time to time reasonably request in writing.

In the case of a Shelf Registration Statement, each Holder agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 3(e)(v) hereof, such Holder will forthwith discontinue disposition of Registrable Securities pursuant to a Registration Statement until such Holder's receipt of the copies of the supplemented or amended Prospectus contemplated by Section 3(i) hereof, and, if so directed by the Company, such Holder will deliver to the Company (at its expense) all copies in its possession, other than permanent file copies then in such Holder's possession, of the Prospectus covering such Registrable Securities current at the time of receipt of such notice. If the Company shall give any such notice to suspend the disposition of Registrable Securities pursuant to a Registration Statement, the Company shall extend the period during which the Registration Statement shall be maintained effective pursuant to this Agreement by the number of days during the period from and including the date of the giving of such notice to and including the date when the Holders shall have received copies of the supplemented or amended Prospectus necessary to resume such dispositions. The Company may give any such notice only twice during any 365 day period and any such suspensions may not exceed 30 days for each suspension and there may not be more than two suspensions in effect during any 365 day period.

The Holders of Registrable Securities covered by a Shelf Registration Statement who desire to do so may sell such Registrable Securities in an Underwritten Offering. In any such Underwritten Offering, the investment banker or investment bankers and manager or managers (the "Underwriters") that will administer the offering will be selected by the Majority Holders of the Registrable Securities included in such offering.

4. Participation of Broker-Dealers in Exchange Offer.

(a) The Staff of the SEC has taken the position that any broker-dealer that receives Exchange Securities for its own account in the Exchange Offer in exchange for Securities that were acquired by such broker-dealer as a result of market-making or other trading activities (a "Participating Broker-Dealer"), may be deemed to be an "underwriter" within the meaning of the 1933 Act and must deliver a prospectus meeting the requirements of the 1933 Act in connection with any resale of such Exchange Securities.

The Company understands that it is the Staff's position that if the Prospectus contained in the Exchange Offer Registration Statement includes a plan of distribution containing a statement to the above effect and the means by which Participating Broker-Dealers may resell the Exchange Securities, without naming the Participating Broker-Dealers or specifying the amount of Exchange Securities owned by them, such Prospectus may be delivered by Participating Broker-Dealers to satisfy their prospectus delivery obligation under the 1933 Act in connection with resales of Exchange Securities for their own accounts, so long as the Prospectus otherwise meets the requirements of the 1933 Act.

(b) In light of the above, notwithstanding the other provisions of this Agreement, the Company agrees that the provisions of this Agreement as they relate to a Shelf Registration shall also apply to an Exchange Offer Registration to the extent, and with such reasonable modifications thereto as may be, reasonably requested by the Placement Agents or by one or more Participating Broker-Dealers, in each case as provided in clause (ii) below, in order to expedite or facilitate the disposition of any Exchange Securities by Participating Broker-Dealers consistent with the positions of the Staff recited in Section 4(a) above; provided that:

(i) the Company shall not be required to amend or supplement the Prospectus contained in the Exchange Offer Registration Statement, as would otherwise be contemplated by Section 3(i), for a period exceeding 180 days after the last Exchange Date (as such period may be extended pursuant to the penultimate paragraph of Section 3 of this Agreement) and Participating Broker-Dealers shall not be authorized by the Company to deliver and shall not deliver such Prospectus after such period in connection with the resales contemplated by this Section 4; and

(ii) the application of the Shelf Registration procedures set forth in Section 3 of this Agreement to an Exchange Offer Registration, to the extent not required by the positions of the Staff of the SEC or the 1933 Act and the rules and regulations thereunder, will be in conformity with the reasonable request to the Company by the Placement Agents or with the reasonable request in writing to the Company by one or more broker-dealers who certify to the Placement Agents and the Company in writing that they anticipate that they will be Participating Broker-Dealers; and provided further that, in connection with such application of the Shelf Registration procedures set forth in Section 3 to an Exchange Offer Registration, the Company shall be obligated (x) to deal only with one entity representing the Participating Broker-Dealers, which shall be Morgan Stanley & Co. Incorporated unless it elects not to act as such representative, (y) to pay the reasonable fees and expenses of o nly one counsel representing the Participating Broker-Dealers, which shall be counsel to the Placement Agents unless such counsel elects not to so act and (z) to cause to be delivered only one, if any, "cold comfort" letter with respect to the Prospectus in the form existing on the last Exchange Date and with respect to each subsequent amendment or supplement, if any, effected during the period specified in clause (i) above.

(c) The Placement Agents shall have no liability to the Company or any Holder with respect to any request that it may make pursuant to Section 4(b) above.

5. Indemnification and Contribution.

(a) The Company agrees to indemnify and hold harmless the Placement Agents, each Holder and each Person, if any, who controls any Placement Agent or any Holder within the meaning of either Section 15 of the 1933 Act or Section 20 of the 1934 Act, or is under common control with, or is controlled by, any Placement Agent or any Holder, from and against all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred by the Placement Agent, any Holder or any such controlling or affiliated Person in connection with defending or investigating any such action or claim) caused by any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or any amendment thereto) pursuant to which Exchange Securities or Registrable Securities were register ed under the 1933 Act, including all documents incorporated therein by

reference, or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or caused by any untrue statement or alleged untrue statement of a material fact contained in any Prospectus (as amended or supplemented if the Company shall have furnished any amendments or supplements thereto), or caused by any omission or alleged omission to state therein a material fact necessary to make the statements therein in light of the circumstances under which they were made not misleading, except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based upon information relating to the Placement Agents or any Holder furnished to the Company in writing through Morgan Stanley & Co. Incorporated or any selling Holder expressly for use therein; provided , however, that with respect to any untrue statement or omission or alleged untrue statement or omission made in any preliminary Prospectus relating to a Shelf Registration Statement, the indemnity agreement contained in this subsection (a) shall not inure to the benefit of any Holder or Participating Broker-Dealer from whom the person asserting any such losses, claims, damages or liabilities purchased the Securities concerned, to the extent that a Prospectus relating to such Securities was required to be delivered by such Holder or Participating Broker-Dealer under the 1933 Act in connection with such purchase and any such losses, claims, damages or liabilities of such Holder or Participating Broker-Dealer result from the fact that there was not sent or given to such person, at or prior to the written confirmation of the sale of such Securities to such person, a copy of the Prospectus if the Company had previously furnished copies thereof to such Holder or Participating Broker-Dealer. In connecti on with any Underwritten Offering permitted by Section 3, the Company will also indemnify the Underwriters, if any, selling brokers, dealers and similar securities industry professionals participating in the distribution, their officers and directors and each Person who controls such Persons (within the meaning of the 1933 Act and the 1934 Act) to the same extent as provided above with respect to the indemnification of the Holders, if requested in connection with any Registration Statement.

(b) Each Holder agrees, severally and not jointly, to indemnify and hold harmless the Company, the Placement Agents and the other selling Holders, and each of their respective directors, officers who sign the Registration Statement and each Person, if any, who controls the Company, any Placement Agent and any other selling Holder within the meaning of either Section 15 of the 1933 Act or Section 20 of the 1934 Act to the same extent as the foregoing indemnity from the Company to the Placement Agents and the Holders, but only with reference to information relating to such Holder furnished to the Company in writing by such Holder expressly for use in any Registration Statement (or any amendment thereto) or any Prospectus (or any amendment or supplement thereto).

(c) In case any proceeding (including any governmental investigation) shall be instituted involving any Person in respect of which indemnity may be sought pursuant to either paragraph (a) or paragraph (b) above, such Person (the "indemnified party") shall promptly notify the Person against whom such indemnity may be sought (the "indemnifying party") in writing and the indemnifying party, upon request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the reasonable fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the indemnifying party shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for (a) the fees and expenses of more than one separate firm (in addition to any local counsel) for the Placement Agents and all Persons, if any, who control any Placement Agent within the meaning of either Section 15 of the 1933 Act or Section 20 of the 1934 Act, (b) the fees and expenses of more than one separate firm (in addition to any local counsel) for the Company, its directors, its officers who s ign the Registration Statement and each Person, if any, who controls the Company within the meaning of either such Section and (c) the fees and expenses of more than one separate firm (in addition to any local counsel) for all Holders and all Persons, if any, who control any Holders within the meaning of either such Section, and that all such reasonable fees and expenses shall be reimbursed as they are incurred. In such case involving the Placement Agents and Persons who control the Placement Agents, such firm shall be designated in writing by Morgan Stanley & Co. Incorporated. In such case involving the Holders and such Persons who control Holders, such firm shall be designated in writing by the Majority Holders. In all other cases, such firm shall be designated by the Company. The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent but, if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agre es to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for reasonable fees and expenses of counsel as contemplated by the second and third sentences of this paragraph, the indemnifying party agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by such indemnifying party of the aforesaid request and (ii) such indemnifying party shall not have reimbursed the indemnified party for such fees and expenses of counsel in accordance with such request prior to the date of such settlement. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened proceeding in respect of which such indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such proceeding.

(d) If the indemnification provided for in paragraph (a) or paragraph (b) of this Section 5 is unavailable to an indemnified party or insufficient in respect of any losses, claims, damages or liabilities, then each indemnifying party under such paragraph, in lieu of indemnifying such indemnified party thereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect the relative fault of the indemnifying party or parties on the one hand and of the indemnified party or parties on the other hand in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative fault of the Company a nd the Holders shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by the Holders and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Holders' respective obligations to contribute pursuant to this Section 5(d) are several in proportion to the respective principal amount of Registrable Securities of such Holder that were registered pursuant to a Registration Statement.

(e) The Company and each Holder agree that it would not be just or equitable if contribution pursuant to this Section 5 were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (d) above. The amount paid or payable by an indemnified party as a result of the losses, claims, damages and liabilities referred to in paragraph (d) above shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 5, no Holder shall be required to indemnify or contribute any amount in excess of the amount by which the tota l price at which Registrable Securities were sold by such Holder exceeds the amount of any damages that such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The remedies provided for in this Section 5 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

The indemnity and contribution provisions contained in this Section 5 shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of the Placement Agents, any Holder or any Person controlling any Placement Agent or

any Holder, or by or on behalf of the Company, its officers or directors or any Person controlling the Company, (iii) acceptance of any of the Exchange Securities and (iv) any sale of Registrable Securities pursuant to a Shelf Registration Statement.

6. Miscellaneous.

(a) No Inconsistent Agreements. The Company has not entered into, and on or after the date of this Agreement will not enter into, any agreement which is inconsistent with the rights granted to the Holders of Registrable Securities in this Agreement or otherwise conflicts with the provisions hereof. The rights granted to the Holders hereunder do not in any way conflict with and are not inconsistent with the rights granted to the holders of the Company's other issued and outstanding securities under any such agreements.

(b) Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given unless the Company has obtained the written consent of Holders of at least a majority in aggregate principal amount of the outstanding Registrable Securities affected by such amendment, modification, supplement, waiver or consent; provided, however, that no amendment, modification, supplement, waiver or consent to any departure from the provisions of Section 5 hereof shall be effective as against any Holder of Registrable Securities unless consented to in writing by such Holder.

(c) Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, registered first-class mail, telex, telecopier, or any courier guaranteeing overnight delivery (i) if to a Holder, at the most current address given by such Holder to the Company by means of a notice given in accordance with the provisions of this Section 6(c), which address initially is, with respect to the Placement Agents, the address set forth in the Placement Agreement; and (ii) if to the Company, initially at the Company's address set forth in the Placement Agreement and thereafter at such other address, notice of which is given in accordance with the provisions of this Section 6(c).

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five business days after being deposited in the mail, postage prepaid, if mailed; when answered back, if telexed; when receipt is acknowledged, if telecopied; and on the next business day if timely delivered to an air courier guaranteeing overnight delivery.

Copies of all such notices, demands, or other communications shall be concurrently delivered by the Person giving the same to the Trustee, at the address specified in the Indenture.

(d) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors, assigns and transferees of each of the parties, including, without limitation and without the need for an express assignment, subsequent Holders; provided that nothing herein shall be deemed to permit any assignment, transfer or other disposition of Registrable Securities in violation of the terms of the Placement Agreement. If any transferee of any Holder shall acquire Registrable Securities, in any manner, whether by operation of law or otherwise, such Registrable Securities shall be held subject to all of the terms of this Agreement, and by taking and holding such Registrable Securities such Person shall be conclusively deemed to have agreed to be bound by and to perform all of the terms an d provisions of this Agreement and such Person shall be entitled to receive the benefits hereof. The Placement Agents (in their capacity as Placement Agents) shall have no liability or obligation to the Company with respect to any failure by a Holder to comply with, or any breach by any Holder of, any of the obligations of such Holder under this Agreement.

(e) Purchases and Sales of Securities. The Company shall not, and shall use its best efforts to cause its affiliates (as defined in Rule 405 under the 1933 Act) not to, purchase and then resell or otherwise transfer any Securities.

(f) Third Party Beneficiary. The Holders shall be third party beneficiaries to the agreements made hereunder between the Company, on the one hand, and the Placement Agents, on the other hand, and shall have the right to enforce such agreements directly to the extent it deems such enforcement necessary or advisable to protect its rights or the rights of Holders hereunder.

(g) Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(h) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(i) Governing Law. This Agreement shall be governed by the laws of the State of New York.

(j) Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

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

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: /s/ Nicholas J. Camera
Name: Nicholas J. Camera
Title: Senior Vice President
General Counsel and Secretary

Confirmed and accepted as of
the date first above written:

J.P. MORGAN SECURITIES INC.
MORGAN STANLEY & CO. INCORPORATED
SALOMON SMITH BARNEY INC.

By: MORGAN STANLEY & CO. INCORPORATED

By: /s/ Hal Hendershot
Name: Hal Hendershot
Title: Executive Director

REGISTRATION RIGHTS AGREEMENT

Dated August 17, 2001

between

THE INTERPUBLIC GROUP OF COMPANIES, INC.

and

J.P. MORGAN SECURITIES INC.
MORGAN STANLEY & CO. INCORPORATED
SALOMON SMITH BARNEY INC.

THE INTERPUBLIC GROUP OF COMPANIES, INC.
1997 PERFORMANCE INCENTIVE PLAN
("the Plan")

INSTRUMENT OF RESTRICTED STOCK

THIS DOCUMENT IS IMPORTANT AND SHOULD BE KEPT IN A SAFE PLACE

THIS IS TO CERTIFY that, on the date shown below, the under-mentioned employee ("the Grantee") has been granted an award of Restricted Stock, subject to the Rules of the above-mentioned Plan, for the number of shares of Common Stock of The Interpublic Group of Companies, Inc. specified below.

Grantee: Name:	David A. Bell
Date of Grant:	August 23, 2001
Number of Restricted Shares granted:	75,000
Lapse of Restrictions:	Except as set forth in Paragraph 2, Paragraph 3 and Paragraph 4 of the attached Exhibit A, the restrictions on the above-mentioned shares of Common Stock shall lapse on the fifth anniversary of the date of the Grant.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By /s/ C. KENT KROEBER
C. Kent Kroeber

The foregoing Grant of a Restricted Stock Award is hereby accepted on the terms contained herein:

/s/ DAVID A. BELL
DAVID A. BELL
Grantee

(RS)
(5/19/97)

THE INTERPUBLIC GROUP OF COMPANIES, INC.

1997 PERFORMANCE INCENTIVE PLAN

EXHIBIT A

RESTRICTED STOCK AGREEMENT made between The Interpublic Group of Companies, Inc. (hereinafter called "the Corporation"), and the individual whose name appears on the document to which this Restricted Stock Agreement is attached (hereinafter called "the Cover Document"), such individual being an employee of the Corporation or one or more of its subsidiaries (hereinafter called "the Grantee").

PURSUANT TO and under all the terms and conditions of the l997 Performance Incentive Plan of THE INTERPUBLIC GROUP OF COMPANIES, INC. (hereinafter called "the Plan"), the Corporation desires to grant to the Grantee an award of shares of Common Stock of the Corporation, and the Grantee desires the opportunity to acquire

said shares as provided in the Plan;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties hereto have agreed and do hereby agree as follows:

1. The Grant. The Corporation hereby grants to the Grantee an aggregate of that number of shares of the Common Stock of the Corporation shown in the Cover Document (hereinafter called the "Grant"), in accordance with all the terms and conditions of the Plan and this Agreement.

2. Restrictions. Until the restrictions set forth in this Paragraph 2 shall lapse pursuant to Paragraph 3 or Paragraph 4 of this Restricted Stock Agreement and the attached Instrument of Restricted Stock, shares of Common Stock awarded pursuant to the Grant:

AA (a) shall not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of, and

(b) shall, if delivered to you or to your order, be returned to the Corporation forthwith and all your rights to such shares shall immediately terminate without any payment of consideration by the Corporation, if your continuous employment with the Corporation or any of its subsidiaries shall terminate for any reason, except as provided in Paragraph 3 and Paragraph 4 hereof. If your interest in the shares of Common Stock awarded pursuant to the Grant shall be terminated pursuant to this clause (b), you shall forthwith deliver to the Secretary or any Assistant Secretary of the Corporation the certificates for shares of Common Stock so terminated, if such certificates shall have been delivered to you or to your order, accompanied by such instrument of transfer as may be required by the Secretary or any Assistant Secretary of the Corporation.

3. Change of Control. In the event of a change of control of the Corporation, as defined in Section 2 of the Plan, the restrictions set forth in Paragraph 2 and Paragraph 4 hereof shall lapse upon the occurrence of such change.

4. The following provisions shall govern the vesting of restricted stock where the Grantee terminates employment before fully vesting in the award:

(A) If a Grantee terminates employment by reason of death or disability, the Grantee shall vest, upon such termination, in a pro rata fraction of the unvested portion of the award, determined by multiplying (a) the ratio of (i) the number of months the Grantee was employed from the date of grant to the date of termination to (ii) the total number of months from the date of grant to the date on which the Grantee would have been fully vested in the award by (b) the total number of unvested shares covered by the award.

(B) Except as provided in paragraph (C) below, if the Grantee's employment is involuntarily terminated by the Company other than for cause at least one year after the date of grant, the Grantee shall vest, upon such termination, in a pro rata fraction of the unvested portion of the award, determined by multiplying (a) the ratio of (i) the number of months the Grantee was employed from the date of grant to the date of termination to (ii) the total number of months from the date of grant to the next date on which the Grantee would have become vested in an additional portion of the award by (b) the number of unvested shares that were scheduled to become vested on such date.

(C) If a Grantee continues in employment following receipt of a Notice of Termination of Employment or continues to be classified as an employee (as an Employee Consultant or otherwise) during a period of reduced work responsibilities or during a period specified by a negotiated settlement with the Grantee, the Grantee shall continue to vest during such period in accordance with the vesting schedule that applies to the award.

(D) If a Grantee, who was at least age 50 with at least 5 but less than 20 years of service on the date of a restricted stock grant, voluntarily retires at least one year after the date of grant, the Grantee shall vest in a pro rata fraction of the unvested portion of the Grant determined by multiplying (a) the ratio of (i) the number of months the Grantee was employed from the date of grant to the date of retirement to (ii) the total number of months from the date of grant to the next date on which the Grantee would have become vested in an additional portion of the Grant by (b) the portion of the Grant that was scheduled to become vested on such date; provided that the ratio in clause (a), above, shall not be less than 50%

(E) If a Grantee, who was at least age 50 with at least 20 years of service on the date a restricted stock award is granted, voluntarily retires, the Grantee shall be 100% vested in the Grant so long as at least one year has passed since the date of grant.

(F) If the Grantee's employment is terminated for any reason other than those identified in the preceding paragraphs (such as a termination for cause), the unvested portion of the award shall be immediately forfeited. To the extent such Grant is vested in accordance with the terms of the Grant and the Plan, the Grantee (or, following the Grantee's death, the Grantee's beneficiary or personal representative) may exercise an award held by the Grantee at the time of such termination, for a period of three months following such termination.

In no event shall a Grant be exercisable more than ten years from the date it was granted.

5. Agreement by Employee Regarding Withholding Taxes. You agree that, subject to the provisions of Paragraph 6 hereof:

(a) no later than the date of the lapse of the restrictions mentioned in Paragraph 2 and 4 hereof and in the attached Instrument of Restricted Stock, you will pay to the Corporation, or make arrangements satisfactory to the Committee regarding payment of, any Federal, State or local taxes of any kind required by law to be withheld with respect to the shares of Common Stock subject to the Grant, and

(b) the Corporation and its subsidiaries shall, to the extent permitted by law, have the right to deduct from any payments of any kind otherwise due to you any Federal, State or local taxes of any kind required by law to be withheld with respect to the shares of Common Stock subject to the Grant.

6. Election to Recognize Gross Income in Year of Grant. If you elect, within 30 days of the Grant, to include in gross income for Federal income tax purposes an amount equal to the fair market value of the shares of Common Stock awarded on the date of the Grant, you shall make arrangements satisfactory to the Committee to pay in the calendar year of this Grant any Federal, State or local taxes required to be withheld with respect to such shares. If you fail to make such payments, the Corporation and its subsidiaries shall, to the extent permitted by law, have the right to deduct from any payments of any kind otherwise due to you any Federal, State or local taxes of any kind required by law to be withheld with respect to such shares of Common Stock.

7. Lapse of Restriction Period. If the restrictions set forth in Paragraph 2 and Paragraph 4 hereof and in the Instrument of Restricted Stock shall have lapsed in accordance with the terms of this Grant, the Corporation shall deliver to you a certificate for the shares as to which the restrictions have lapsed.

8. Governing Law. This Restricted Stock Agreement and the attached Instrument of Restricted Stock shall be governed by the laws of the State of New York.

THE INTERPUBLIC GROUP OF COMPANIES, INC.
1997 PERFORMANCE INCENTIVE PLAN
("the Plan")

INSTRUMENT OF RESTRICTED STOCK

THIS DOCUMENT IS IMPORTANT AND SHOULD BE KEPT IN A SAFE PLACE

THIS IS TO CERTIFY that, on the date shown below, the under-mentioned employee ("the Grantee") has been granted an award of Restricted Stock, subject to the Rules of the above-mentioned Plan, for the number of shares of Common Stock of The Interpublic Group of Companies, Inc. specified below.

Date of Grant:	August 23, 2001
Number of Restricted Shares granted:	50,000
Lapse of Restrictions:	Except as set forth in Paragraph 2, Paragraph 3 and Paragraph 4 of the attached Exhibit A, the restrictions on the above-mentioned shares of Common Stock shall lapse on the fifth anniversary of the date of the Grant.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By /s/ C. KENT KROEBER
C. KENT KROEBER

The foregoing Grant of a Restricted Stock Award is hereby accepted on the terms contained herein:

/s/ J. BRENDAN RYAN
J. BRENDAN RYAN
Grantee

(RS)
(5/19/97)

THE INTERPUBLIC GROUP OF COMPANIES, INC.

1997 PERFORMANCE INCENTIVE PLAN

EXHIBIT A

RESTRICTED STOCK AGREEMENT made between The Interpublic Group of Companies, Inc. (hereinafter called "the Corporation"), and the individual whose name appears on the document to which this Restricted Stock Agreement is attached (hereinafter called "the Cover Document"), such individual being an employee of the Corporation or one or more of its subsidiaries (hereinafter called "the Grantee").

PURSUANT TO and under all the terms and conditions of the l997 Performance Incentive Plan of THE INTERPUBLIC GROUP OF COMPANIES, INC. (hereinafter called "the Plan"), the Corporation desires to grant to the Grantee an award of shares of Common Stock of the Corporation, and the Grantee desires the opportunity to acquire said shares as provided in the Plan;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties hereto have agreed and do hereby agree as follows:

1. The Grant. The Corporation hereby grants to the Grantee an aggregate of that number of shares of the Common Stock of the Corporation shown in the Cover Document (hereinafter called the "Grant"), in accordance with all the terms and conditions of the Plan and this Agreement.

2. Restrictions. Until the restrictions set forth in this Paragraph 2 shall lapse pursuant to Paragraph 3 or Paragraph 4 of this Restricted Stock Agreement and the attached Instrument of Restricted Stock, shares of Common Stock awarded pursuant to the Grant:

(a) shall not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of, and

(b) shall, if delivered to you or to your order, be returned to the Corporation forthwith and all your rights to such shares shall immediately terminate without any payment of consideration by the Corporation, if your continuous employment with the Corporation or any of its subsidiaries shall terminate for any reason, except as provided in Paragraph 3 and Paragraph 4 hereof. If your interest in the shares of Common Stock awarded pursuant to the Grant shall be terminated pursuant to this clause (b), you shall forthwith deliver to the Secretary or any Assistant Secretary of the Corporation the certificates for shares of Common Stock so terminated, if such certificates shall have been delivered to you or to your order, accompanied by such instrument of transfer as may be required by the Secretary or any Assistant Secretary of the Corporation.

3. Change of Control. In the event of a change of control of the Corporation, as defined in Section 2 of the Plan, the restrictions set forth in Paragraph 2 and Paragraph 4 hereof shall lapse upon the occurrence of such change.

4. The following provisions shall govern the vesting of restricted stock where the Grantee terminates employment before fully vesting in the award:

(A) If a Grantee terminates employment by reason of death or disability, the Grantee shall vest, upon such termination, in a pro rata fraction of the unvested portion of the award, determined by multiplying (a) the ratio of (i) the number of months the Grantee was employed from the date of grant to the date of termination to (ii) the total number of months from the date of grant to the date on which the Grantee would have been fully vested in the award by (b) the total number of unvested shares covered by the award.

(B) Except as provided in paragraph (C) below, if the Grantee's employment is involuntarily terminated by the Company other than for cause at least one year after the date of grant, the Grantee shall vest, upon such termination, in a pro rata fraction of the unvested portion of the award, determined by multiplying (a) the ratio of (i) the number of months the Grantee was employed from the date of grant to the date of termination to (ii) the total number of months from the date of grant to the next date on which the Grantee would have become vested in an additional portion of the award by (b) the number of unvested shares that were scheduled to become vested on such date.

(C) If a Grantee continues in employment following receipt of a Notice of Termination of Employment or continues to be classified as an employee (as an Employee Consultant or otherwise) during a period of reduced work responsibilities or during a period specified by a negotiated settlement with the Grantee, the Grantee shall continue to vest during such period in accordance with the vesting schedule that applies to the award.

(D) If a Grantee, who was at least age 50 with at least 5 but less than 20 years of service on the date of a restricted stock grant, voluntarily retires at least one year after the date of grant, the Grantee shall vest in a pro rata fraction of the unvested portion of the Grant determined by multiplying (a) the ratio of (i) the number of months the Grantee was employed from the date of grant to the date of retirement to (ii) the total number of months from the date of grant to the next date on which the Grantee would have become vested in an additional portion of the Grant by (b) the portion of the Grant that was scheduled to become vested on such date; provided that the ratio in clause (a), above, shall not be less than 50%

(E) If a Grantee, who was at least age 50 with at least 20 years of service on the date a restricted stock award is granted, voluntarily retires, the Grantee shall be 100% vested in the Grant so long as at least one year has passed since the date of grant.

(F) If the Grantee's employment is terminated for any reason other than those identified in the preceding paragraphs (such as a termination for cause), the unvested portion of the award shall be immediately forfeited. To the extent such Grant is vested in accordance with the terms of the Grant and the Plan, the Grantee (or, following the Grantee's death, the Grantee's beneficiary or personal representative) may exercise an award held by the Grantee at the time of such termination, for a period of three months following such termination.

In no event shall a Grant be exercisable more than ten years from the date it was granted.

5. Agreement by Employee Regarding Withholding Taxes. You agree that, subject to the provisions of Paragraph 6 hereof:

(a) no later than the date of the lapse of the restrictions mentioned in Paragraph 2 and 4 hereof and in the attached Instrument of Restricted Stock, you will pay to the Corporation, or make arrangements satisfactory to the Committee regarding payment of, any Federal, State or local taxes of any kind required by law to be withheld with respect to the shares of Common Stock subject to the Grant, and

(b) the Corporation and its subsidiaries shall, to the extent permitted by law, have the right to deduct from any payments of any kind otherwise due to you any Federal, State or local taxes of any kind required by law to be withheld with respect to the shares of Common Stock subject to the Grant.

6. Election to Recognize Gross Income in Year of Grant. If you elect, within 30 days of the Grant, to include in gross income for Federal income tax purposes an amount equal to the fair market value of the shares of Common Stock awarded on the date of the Grant, you shall make arrangements satisfactory to the Committee to pay in the calendar year of this Grant any Federal, State or local taxes required to be withheld with respect to such shares. If you fail to make such payments, the Corporation and its subsidiaries shall, to the extent permitted by law, have the right to deduct from any payments of any kind otherwise due to you any Federal, State or local taxes of any kind required by law to be withheld with respect to such shares of Common Stock.

7. Lapse of Restriction Period. If the restrictions set forth in Paragraph 2 and Paragraph 4 hereof and in the Instrument of Restricted Stock shall have lapsed in accordance with the terms of this Grant, the Corporation shall deliver to you a certificate for the shares as to which the restrictions have lapsed.

8. Governing Law. This Restricted Stock Agreement and the attached Instrument of Restricted Stock shall be governed by the laws of the State of New York.

(7/1/00)

THE INTERPUBLIC GROUP OF COMPANIES, INC.
1997 PERFORMANCE INCENTIVE PLAN
("the Plan")

1997 PLAN OPTION CERTIFICATE

THIS DOCUMENT IS IMPORTANT AND SHOULD BE KEPT IN A SAFE PLACE

THIS IS TO CERTIFY that, on the date shown below, an Option was granted, subject to the Rules of the above-mentioned Plan, to the under-mentioned to subscribe at the Exercise Price stated below the number of shares of Common Stock of The Interpublic Group of Companies, Inc. specified below.

Grantee: Name David A. Bell

Date of Grant: August 23, 2001

Number of shares of Common Stock Subject to the Option: 125,000

Exercise Price per share: $27.525

Option Expiration Date: August 23, 2011

The Option may not be exercised in any part for a period of three years from the date of granting hereof. Thereafter the Option shall be exercisable in three annual installments. The first installment shall be for 40% of the number of shares covered by the Option. Each succeeding installment shall be for 30% of the number of shares covered by the Option. The first installment may be exercised on or after the third anniversary date hereof, and each of the two additional installments may be exercised on or after each successive anniversary date. To the extent that any installment hereof has become exercisable, it may be exercised at any time prior to the expiration of the Option as provided in the attached Exhibit A.

IN WITNESS WHEREOF this Certificate was duly executed this 23rd day of August, 2001 by THE INTERPUBLIC GROUP OF COMPANIES, INC. by the affixing of its common seal in the presence of : -

Senior Vice President /s/ C. KENT KROEBER
C. KENT KROEBER

Secretary /s/ NICHOLAS J. CAMERA
NICHOLAS J. CAMERA

Grantee: /s/ DAVID A. BELL
DAVID A. BELL
(Signature)

(5/19/97)

THE INTERPUBLIC GROUP OF COMPANIES, INC.

1997 Performance Incentive Plan

EXHIBIT A

OPTION CERTIFICATE between The Interpublic Group of Companies, Inc. (hereinafter called the "Corporation"), and the individual whose name appears on the document to which this Option Certificate is attached (hereinafter called the "Cover Document"), such individual being an employee of the Corporation or one or more of its subsidiaries (hereinafter called the "Grantee");

PURSUANT TO and under all the terms and conditions of THE INTERPBULIC GROUP OF COMPANIES, INC. 1997 PERFORMANCE INCENTIVE PLAN (hereinafter called "the Plan"), the Corporation offers the Grantee an opportunity to purchase shares of the Common Stock of the Corporation on the following terms and conditions:

1. The Corporation hereby irrevocably grants to the Grantee the right and option (hereinafter called the "Option") to purchase from the Corporation an aggregate of that number of shares of the Common Stock of the Corporation shown on the Cover Document in accordance with all the terms and conditions of the Plan and this Agreement.

2. The purchase price of said shares is shown in the Cover Document. All issue and transfer taxes upon the sale of shares pursuant to the exercise of all or any part of the Option and all fees and expenses incident thereto shall be paid by the Corporation.

3. The term of the Option shall be for a period of ten years from the date as of which the Option is granted, subject to earlier termination as provided herein.

4. Except as provided in paragraphs 5 and 9, the Option may not be exercised until the date on the Cover Document.

5. In the event of a change of control of the Corporation, as defined in Article III(c) of the Plan, the Option may be exercised for all of the shares covered by the Option (except to the extent already exercised), notwithstanding the installment provisions set forth in the Cover Document.

6. An installment of the Option when exercisable may be exercised at one time or from time to time except that such partial exercise of the installment shall be for 50 shares or a multiple thereof, or for all the remaining shares thereunder, whichever is the lesser.

7. The purchase price of the shares as to which the Option shall be exercised shall be paid in full in cash, or (as permitted by the Corporation) with the use of corporate stock at the time of the exercise. If payment is made by check or draft, such check or draft must be drawn on a bank located in the United States of America.

8. This Option is not transferable otherwise than by will or by the laws of descent and distribution. During the lifetime of the Grantee, this Option may be exercised only by the Grantee.

9. The following provisions shall govern the vesting of stock options where the Grantee terminates employment before fully vesting in the award:

(A) If a Grantee terminates employment by reason of disability or death, the Grantee shall vest, upon such termination, in a pro rata fraction of the unvested portion of the award, determined by multiplying (a) the ratio of (i) the number of months the Grantee was employed from the date of grant to the date of termination to (ii) the total number of months from the date of grant to the date on which the Grantee would have been fully vested in the award by (b) the total number of unvested shares covered by the award.

(i) If the Grantee's cessation of employment is due to disability, he may, at any time within three years after such cessation of employment, exercise the Option as set forth above.

(ii) If the Grantee dies while in the employment of the Corporation (or within three years after having ceased to be employed by the Corporation owing to his or her disability) and without having fully exercised the Option, the executors or administrators or legatees or distributees of his estate shall have the right, during the one-year period following his death, to exercise the Option in the manner described above.

(B) Except as provided in paragraph (C) below, if the employee's employment is involuntarily terminated by the Company other than for cause at least one year after the date of grant, the employee shall vest, upon such termination, in a pro rata fraction of the unvested portion of the award, determined by multiplying (a) the ratio of (i) the number of months the employee was employed from the date of grant to the date of termination to (ii) the total number of months from the date of grant to the next date on which the employee would have become vested in an additional portion of the award by (b) the number of unvested shares that were scheduled to become vested on such date.

(C) If an employee continues in employment following receipt of a Notice of Termination of Employment or continues to be classified as an employee (as an Employee Consultant or otherwise) during a period of reduced work responsibilities or during a period specified by a negotiated settlement with the employee, the Grantee shall continue to vest during such period in accordance with the vesting schedule that applies to the award.

(D) If a Grantee, who was at least age 50 with at least 5 but less than 20 years of service on the date

of a stock option grant, voluntarily retires at least one year after the date of grant, the Grantee shall vest in a pro rata fraction of the unvested portion of the option determined by multiplying (a) the ratio of (i) the number of months the Grantee was employed from the date of grant to the date of retirement to (ii) the total number of months from the date of grant to the next date on which the Grantee would have become vested in an additional portion of the option by (b) the portion of the option that was scheduled to become vested on such date; provided that the ratio in clause (a), above, shall not be less than 50%.

(E) If a Grantee, who was at least age 50 with at least 20 years of service on the date an option is granted, voluntarily retires or becomes disabled, the Grantee shall be 100% vested in the option so long as at least one year has passed since the date of grant. In the event of the Grantee's death, the executors or administrators or legatees or distributees of his estate shall have the right, during the one-year period following his death, to exercise the Option in the manner described above.

> If the Grantee's employment is terminated for any reason other than those identified in the preceding paragraphs (such as a termination for cause), the unvested portion of the award shall be immediately forfeited. To the extent such Option is vested in accordance with the terms of the Option and the Plan, the Grantee (or, following the Grantee's death, the Grantee's beneficiary or personal representative) may exercise any Option held by the Grantee at the time of such termination, for a period of three months following such termination.

In no event shall an Option be exercisable more than ten years from the date it was granted.

10. The Grantee shall not have voting or dividend rights or any other rights of a stockholder in respect to any shares of Common Stock covered by this Option prior to the time that his name is recorded on the stockholder ledger of the Corporation as the holder of record of such shares acquired pursuant to an exercise of the Option.

11. Subject to the terms and conditions of the Plan and of this Agreement, any exercise of this Option shall be by written notice delivered to the President or the Secretary of the Corporation, at its principal office, which is now located at 1271 Avenue of the Americas, Rockefeller Center, New York, New York 10020. Such written notice shall state the election to exercise the Option and the number of shares in respect of which it is being exercised and shall be signed by the person or persons so exercising the Option. Such notice shall be accompanied by payment of the full purchase price of said shares, whereupon the Corporation shall deliver a certificate or certificates representing said shares as soon as practicable. Unless there has been an effective registration of the securities offered under the Plan pursuant to the Securities Act of 1933, upo n exercise of the Option the Grantee shall also furnish a statement in writing that the shares are being acquired for investment purposes and not with a view to their sale or distribution, as required by the Plan.

12. This option shall not be treated as an incentive stock option for purposes of Section 422 of the Internal Revenue Code of 1986, as amended from time to time or any successor provision.

13. All words and phrases used herein shall have the same meaning as in the Plan, and all provisions, terms and conditions of the Plan not herein specifically set forth are incorporated herein by reference.

THE INTERPUBLIC GROUP OF COMPANIES, INC.
1997 PERFORMANCE INCENTIVE PLAN
("the Plan")

1997 PLAN OPTION CERTIFICATE

THIS DOCUMENT IS IMPORTANT AND SHOULD BE KEPT IN A SAFE PLACE

THIS IS TO CERTIFY that, on the date shown below, an Option was granted, subject to the Rules of the above-mentioned Plan, to the under-mentioned to subscribe at the Exercise Price stated below the number of shares of Common Stock of The Interpublic Group of Companies, Inc. specified below.

Grantee: Name J. Brendan Ryan

Date of Grant: August 23, 2001

Number of shares of Common Stock Subject to the Option: 100,000

Exercise Price per share: $27.525

Option Expiration Date: August 23, 2011

The Option may not be exercised in any part for a period of three years from the date of granting hereof. Thereafter the Option shall be exercisable in three annual installments. The first installment shall be for 40% of the number of shares covered by the Option. Each succeeding installment shall be for 30% of the number of shares covered by the Option. The first installment may be exercised on or after the third anniversary date hereof, and each of the two additional installments may be exercised on or after each successive anniversary date. To the extent that any installment hereof has become exercisable, it may be exercised at any time prior to the expiration of the Option as provided in the attached Exhibit A.

IN WITNESS WHEREOF this Certificate was duly executed this 23rd day of August, 2001 by THE INTERPUBLIC GROUP OF COMPANIES, INC. by the affixing of its common seal in the presence of : -

Senior Vice President /s/ C. KENT KROEBER
C. KENT KROEBER

Secretary /s/ NICHOLAS J. CAMERA
NICHOLAS J. CAMERA

Grantee: J. BRENDAN RYAN
J. BRENDAN RYAN
(Signature)
(5/19/97)

THE INTERPUBLIC GROUP OF COMPANIES, INC.

1997 Performance Incentive Plan

EXHIBIT A

OPTION CERTIFICATE between The Interpublic Group of Companies, Inc. (hereinafter called the "Corporation"), and the individual whose name appears on the document to which this Option Certificate is attached (hereinafter called the "Cover Document"), such individual being an employee of the Corporation or one or more of its subsidiaries (hereinafter called the "Grantee");

PURSUANT TO and under all the terms and conditions of THE INTERPBULIC GROUP OF COMPANIES, INC. 1997 PERFORMANCE INCENTIVE PLAN (hereinafter called "the Plan"), the Corporation offers the Grantee an opportunity to purchase shares of the Common Stock of the Corporation on the following terms and conditions:

1. The Corporation hereby irrevocably grants to the Grantee the right and option (hereinafter called the "Option") to purchase from the Corporation an aggregate of that number of shares of the Common Stock of the Corporation shown on the Cover Document in accordance with all the terms and conditions of the Plan and this Agreement.

2. The purchase price of said shares is shown in the Cover Document. All issue and transfer taxes upon the sale of shares pursuant to the exercise of all or any part of the Option and all fees and expenses incident thereto shall be paid by the Corporation.

3. The term of the Option shall be for a period of ten years from the date as of which the Option is granted, subject to earlier termination as provided herein.

4. Except as provided in paragraphs 5 and 9, the Option may not be exercised until the date on the Cover Document.

5. In the event of a change of control of the Corporation, as defined in Article III(c) of the Plan, the Option may be exercised for all of the shares covered by the Option (except to the extent already exercised), notwithstanding the installment provisions set forth in the Cover Document.

6. An installment of the Option when exercisable may be exercised at one time or from time to time except that such partial exercise of the installment shall be for 50 shares or a multiple thereof, or for all the remaining shares thereunder, whichever is the lesser.

7. The purchase price of the shares as to which the Option shall be exercised shall be paid in full in cash, or (as permitted by the Corporation) with the use of corporate stock at the time of the exercise. If payment is made by check or draft, such check or draft must be drawn on a bank located in the United States of America.

8. This Option is not transferable otherwise than by will or by the laws of descent and distribution. During the lifetime of the Grantee, this Option may be exercised only by the Grantee.

9. The following provisions shall govern the vesting of stock options where the Grantee terminates employment before fully vesting in the award:

(A) If a Grantee terminates employment by reason of disability or death, the Grantee shall vest, upon such termination, in a pro rata fraction of the unvested portion of the award, determined by multiplying (a) the ratio of (i) the number of months the Grantee was employed from the date of grant to the date of termination to (ii) the total number of months from the date of grant to the date on which the Grantee would have been fully vested in the award by (b) the total number of unvested shares covered by the award.

(i) If the Grantee's cessation of employment is due to disability, he may, at any time within three years after such cessation of employment, exercise the Option as set forth above.

(ii) If the Grantee dies while in the employment of the Corporation (or within three years after having ceased to be employed by the Corporation owing to his or her disability) and without having fully exercised the Option, the executors or administrators or legatees or distributees of his estate shall have the right, during the one-year period following his death, to exercise the Option in the manner described above.

(B) Except as provided in paragraph (C) below, if the employee's employment is involuntarily terminated by the Company other than for cause at least one year after the date of grant, the employee shall vest, upon such termination, in a pro rata fraction of the unvested portion of the award, determined by multiplying (a) the ratio of (i) the number of months the employee was employed from the date of grant to the date of termination to (ii) the total number of months from the date of grant to the next date on which the employee would have become vested in an additional portion of the award by (b) the number of unvested shares that were scheduled to become vested on such date.

(C) If an employee continues in employment following receipt of a Notice of Termination of Employment or continues to be classified as an employee (as an Employee Consultant or otherwise) during a period of reduced

work responsibilities or during a period specified by a negotiated settlement with the employee, the Grantee shall continue to vest during such period in accordance with the vesting schedule that applies to the award.

If a Grantee, who was at least age 50 with at least 5 but less than 20 years of service on the date of a stock option grant, voluntarily retires at least one year after the date of grant, the Grantee shall vest in a pro rata fraction of the unvested portion of the option determined by multiplying (a) the ratio of (i) the number of months the Grantee was employed from the date of grant to the date of retirement to (ii) the total number of months from the date of grant to the next date on which the Grantee would have become vested in an additional portion of the option by (b) the portion of the option that was scheduled to become vested on such date; provided that the ratio in clause (a), above, shall not be less than 50%.

(E) If a Grantee, who was at least age 50 with at least 20 years of service on the date an option is granted, voluntarily retires or becomes disabled, the Grantee shall be 100% vested in the option so long as at least one year has passed since the date of grant. In the event of the Grantee's death, the executors or administrators or legatees or distributees of his estate shall have the right, during the one-year period following his death, to exercise the Option in the manner described above.

If the Grantee's employment is terminated for any reason other than those identified in the preceding paragraphs (such as a termination for cause), the unvested portion of the award shall be immediately forfeited. To the extent such Option is vested in accordance with the terms of the Option and the Plan, the Grantee (or, following the Grantee's death, the Grantee's beneficiary or personal representative) may exercise any Option held by the Grantee at the time of such termination, for a period of three months following such termination.

In no event shall an Option be exercisable more than ten years from the date it was granted.

10. The Grantee shall not have voting or dividend rights or any other rights of a stockholder in respect to any shares of Common Stock covered by this Option prior to the time that his name is recorded on the stockholder ledger of the Corporation as the holder of record of such shares acquired pursuant to an exercise of the Option.

11. Subject to the terms and conditions of the Plan and of this Agreement, any exercise of this Option shall be by written notice delivered to the President or the Secretary of the Corporation, at its principal office, which is now located at 1271 Avenue of the Americas, Rockefeller Center, New York, New York 10020. Such written notice shall state the election to exercise the Option and the number of shares in respect of which it is being exercised and shall be signed by the person or persons so exercising the Option. Such notice shall be accompanied by payment of the full purchase price of said shares, whereupon the Corporation shall deliver a certificate or certificates representing said shares as soon as practicable. Unless there has been an effective registration of the securities offered under the Plan pursuant to the Securities Act of 1933, upon exercise of the Option the Grantee shall also furnish a statement in writing that the shares are being acquired for investment purposes and not with a view to their sale or distribution, as required by the Plan.

12. This option shall not be treated as an incentive stock option for purposes of Section 422 of the Internal Revenue Code of 1986, as amended from time to time or any successor provision.

13. All words and phrases used herein shall have the same meaning as in the Plan, and all provisions, terms and conditions of the Plan not herein specifically set forth are incorporated herein by reference.

AMENDMENT NO. 1 TO THE 364-DAY CREDIT AGREEMENT

Dated as of September 27, 2001

AMENDMENT NO. 1 TO THE 364-DAY CREDIT AGREEMENT among The Interpublic Group of Companies, Inc., a Delaware corporation (the "Company"), the banks, financial institutions and other institutional lenders parties to the Credit Agreement referred to below (collectively, the "Lenders") and Citibank, N.A., as administrative agent (the "Agent") for the Lenders.

PRELIMINARY STATEMENTS:

(1) The Company, the Lenders and the Agent have entered into a 364-Day Credit Agreement dated as of June 26, 2001 (the "Credit Agreement"). Capitalized terms not otherwise defined in this Amendment have the same meanings as specified in the Credit Agreement.

(2) The Company and the Lenders have agreed to amend the Credit Agreement as hereinafter set forth.

SECTION 1. Amendment to Credit Agreement. The Credit Agreement is, effective as of the date hereof and subject to the satisfaction of the conditions precedent set forth in Section 2, hereby amended as follows:

The definition of "EBITDA" in Section 1.01 is in full to read as follows:

"EBITDA" means, for any period, net income (or net loss) plus the sum of (a) Interest Expense, (b) income tax expense, (c) depreciation expense, (d) amortization expense, in each case determined in accordance with GAAP for such period, (e) restructuring and other merger related charges, (f) costs related to the acquisition of Deutsch, Inc. and its Affiliates, (g) investment impairment charges, (h) goodwill impairment and other related charges, in the case of (e), (f), (g) and (h), as recorded in the financial statements of the Company and its Consolidated Subsidiaries in accordance with GAAP for the fiscal quarters ended September 30, 2000, December 31, 2000 and March 31, 2001, (i) all non-cash write-offs referred to in clauses (e), (f), (g) and (h) above, as recorded in the financial statements of the Company and its Consolidated Subsidiaries in accordance with GAAP for the fiscal q uarters ended June 30, 2001 and September 30, 2001 and (j) all cash charges up to an aggregate amount of $350,000,000 referred to in clauses (e), (f), (g) and (h) above, as recorded in the financial statements of the Company and its Consolidated Subsidiaries in accordance with GAAP for the fiscal quarter ended September 30, 2001.

SECTION 2. Conditions of Effectiveness. This Amendment shall become effective as of the date first above written when, and only when, the Agent shall have received counterparts of this Amendment executed by the Borrower and the Required Lenders or, as to any of the Lenders, advice satisfactory to the Agent that such Lender has executed this Amendment. This Amendment is subject to the provisions of Section 8.01 of the Credit Agreement.

SECTION 3. Representations and Warranties of the Company. The Company represents and warrants as follows:

(a) The Company is a corporation duly organized, incorporated, validly existing and in good standing under the laws of the State of Delaware, and has all corporate powers and all material governmental licenses, authorizations, consents and approvals required to carry on its business.

(b) The execution, delivery and performance by the Company of this Amendment and the Credit Agreement, as amended hereby, are within the Company's corporate powers, have been duly authorized by all necessary corporate action and do not contravene, or constitute a default under, any provision of applicable law or regulation or the certificate of incorporation of the company or any judgment, injunction, order, decree, material agreement or other instrument binding upon the Company or result in the creation or imposition of any Lien on any asset of the Company or any of its Consolidated Subsidiaries.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or any other third party is required for the due execution, delivery or performance by the Company of this Amendment, the Credit Agreement or any of the Notes to which it is or is to be a party, as amended hereby.

(d) This Amendment has been duly executed and delivered by the Company. This Amendment and each of the Credit Agreement and the Notes to which the Company is or is to be a party, as amended hereby, are legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the rights of creditors generally and subject to general principles of equity.

(e) There is no action, suit, investigation, litigation or proceeding pending against, or, to the knowledge of the Company, threatened against the Company or any of its Consolidated Subsidiaries before any court or arbitrator or any

governmental body, agency or official in which there is a significant probability of an adverse decision that (i) would have a Material Adverse Effect or (ii) purports to affect the legality, validity or enforceability of this Amendment or the Credit Agreement or any Note, as amended hereby, or the consummation of any of the transactions contemplated hereby.

SECTION 4. Reference to and Effect on the Credit Agreement and the Notes. (a) On and after the effectiveness of this Amendment, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, and each reference in the Notes to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement, as amended by this Amendment.

(b) The Credit Agreement and the Notes, as specifically amended by this Amendment, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Agent under the Credit Agreement, nor constitute a waiver of any provision of the Credit Agreement.

SECTION 5. Costs and Expenses. The Company agrees to pay on demand all reasonable costs and expenses of the Agent in connection with the preparation, execution, delivery and administration, modification and amendment of this Amendment and the other instruments and documents to be delivered hereunder (including, without limitation, the reasonable fees and expenses of counsel for the Agent) in accordance with the terms of Section 9.04 of the Credit Agreement.

SECTION 6. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 7. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By /s/ STEVEN BERNS
STEVEN BERNS
Title: Vice President & Treasurer

CITIBANK, N.A.,
as Agent and as Lender

By /s/ JULIO OJEA-QUINTANA
JULIO OJEA-QUINTANA
Title:

AMENDMENT NO. 2 TO THE
FIVE YEAR CREDIT AGREEMENT

Dated as of September 27, 2001

AMENDMENT NO. 2 TO THE FIVE YEAR CREDIT AGREEMENT among The Interpublic Group of Companies, Inc., a Delaware corporation (the "Company"), the banks, financial institutions and other institutional lenders parties to the Credit Agreement referred to below (collectively, the "Lenders") and Citibank, N.A., as administrative agent (the "Agent") for the Lenders.

PRELIMINARY STATEMENTS:

(1) The Company, the Lenders and the Agent have entered into a Five Year Credit Agreement dated as of June 27, 2000 and amended as of June 26, 2001 (the "Credit Agreement"). Capitalized terms not otherwise defined in this Amendment have the same meanings as specified in the Credit Agreement.

(2) The Company and the Lenders have agreed to further amend the Credit Agreement as hereinafter set forth.

SECTION 1. Amendment to Credit Agreement. The Credit Agreement is, effective as of the date hereof and subject to the satisfaction of the conditions precedent set forth in Section 2, hereby amended as follows:

The definition of "EBITDA" in Section 1.01 is in full to read as follows:

"EBITDA" means, for any period, net income (or net loss) plus the sum of (a) Interest Expense, (b) income tax expense, (c) depreciation expense, (d) amortization expense, in each case determined in accordance with GAAP for such period, (e) restructuring and other merger related charges, (f) costs related to the acquisition of Deutsch, Inc. and its Affiliates, (g) investment impairment charges, (h) goodwill impairment and other related charges, in the case of (e), (f), (g) and (h), as recorded in the financial statements of the Company and its Consolidated Subsidiaries in accordance with GAAP for the fiscal quarters ended September 30, 2000, December 31, 2000 and March 31, 2001, (i) all non-cash write-offs referred to in clauses (e), (f), (g) and (h) above, as recorded in the financial statements of the Company and its Consolidated Subsidiaries in accordance with GAAP for the fiscal q uarters ended June 30, 2001 and September 30, 2001 and (j) all cash charges up to an aggregate amount of $350,000,000 referred to in clauses (e), (f), (g) and (h) above, as recorded in the financial statements of the Company and its Consolidated Subsidiaries in accordance with GAAP for the fiscal quarter ended September 30, 2001.

SECTION 2. Conditions of Effectiveness. This Amendment shall become effective as of the date first above written when, and only when, the Agent shall have received counterparts of this Amendment executed by the Borrower and the Required Lenders or, as to any of the Lenders, advice satisfactory to the Agent that such Lender has executed this Amendment. This Amendment is subject to the provisions of Section 8.01 of the Credit Agreement.

SECTION 3. Representations and Warranties of the Company. The Company represents and warrants as follows:

(a) The Company is a corporation duly organized, incorporated, validly existing and in good standing under the laws of the State of Delaware, and has all corporate powers and all material governmental licenses, authorizations, consents and approvals required to carry on its business.

(b) The execution, delivery and performance by the Company of this Amendment and the Credit Agreement, as amended hereby, are within the Company's corporate powers, have been duly authorized by all necessary corporate action and do not contravene, or constitute a default under, any provision of applicable law or regulation or the certificate of incorporation of the company or any judgment, injunction, order, decree, material agreement or other instrument binding upon the Company or result in the creation or imposition of any Lien on any asset of the Company or any of its Consolidated Subsidiaries.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or any other third party is required for the due execution, delivery or performance by the Company of this Amendment, the Credit Agreement or any of the Notes to which it is or is to be a party, as amended hereby.

(d) This Amendment has been duly executed and delivered by the Company. This Amendment and each of the Credit Agreement and the Notes to which the Company is or is to be a party, as amended hereby, are legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the rights of creditors generally and subject to general principles of equity.

(e) There is no action, suit, investigation, litigation or proceeding pending against, or, to the knowledge of the Company, threatened against the Company or any of its Consolidated Subsidiaries before any court or arbitrator or any

governmental body, agency or official in which there is a significant probability of an adverse decision that (i) would have a Material Adverse Effect or (ii) purports to affect the legality, validity or enforceability of this Amendment or the Credit Agreement or any Note, as amended hereby, or the consummation of any of the transactions contemplated hereby.

SECTION. 4. Reference to and Effect on the Credit Agreement and the Notes. (a) On and after the effectiveness of this Amendment, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, and each reference in the Notes to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement, as amended by this Amendment.

(b) The Credit Agreement and the Notes, as specifically amended by this Amendment, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Agent under the Credit Agreement, nor constitute a waiver of any provision of the Credit Agreement.

SECTION 5. Costs and Expenses. The Company agrees to pay on demand all reasonable costs and expenses of the Agent in connection with the preparation, execution, delivery and administration, modification and amendment of this Amendment and the other instruments and documents to be delivered hereunder (including, without limitation, the reasonable fees and expenses of counsel for the Agent) in accordance with the terms of Section 9.04 of the Credit Agreement.

SECTION 6. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 7. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By /s/ STEVEN BERNS
STEVEN BERNS
Title: Vice President & Treasurer

CITIBANK, N.A.,
as Agent and as Lender

By /s/ JULIO OJEA-QUINTANA
JULIO OJEA-QUINTANA
Title:

EXHIBIT 11

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2001	**2000**	**2001**	**2000**
Basic				
Net income (loss)	$(477.5)	$ 90.8	$(616.3)	$307.1
Weighted average number of common shares outstanding	369.6	362.7	368.2	358.3
Earnings (loss) per common and common equivalent share	$ (1.29)	$ .25	$ (1.67)	$ .86
Diluted (1)				
Net income (loss)	$(477.5)	$ 90.8	$(616.3)	$307.1
Add:				
Dividends paid net of related income tax applicable to restricted stock	-	0.2	-	0.6
Net income (loss), as adjusted	$(477.5)	$ 91.0	$(616.3)	$307.7
Weighted average number of common shares outstanding	369.6	362.7	368.2	358.3
Weighted average number of incremental shares in connection with restricted stock and assumed exercise of stock options	-	10.4	-	11.4
Weighted average number of common shares outstanding, as adjusted	369.6	373.1	368.2	369.7
Earnings (loss) per common and common equivalent share	$ (1.29)	$ .24	$ (1.67)	$ .83

(1) The computation of diluted EPS for 2001 excludes the assumed conversion of the 1.80% and 1.87% Convertible Subordinated Notes, the conversion of restricted stock and any assumed exercise of stock options because they were antidilutive.