

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

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

Date of report (Date of earliest event reported): February 10, 2021



**THE INTERPUBLIC GROUP OF COMPANIES, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**1-6686**

(Commission File Number)

**13-1024020**

(I.R.S. Employer  
Identification No.)

**909 Third Avenue, New York, New York 10022**

(Address of principal executive offices) (Zip Code)

**(212)704-1200**

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

| Title of each class                      | Trading Symbol(s) | Name of each exchange on which registered |
|------------------------------------------|-------------------|-------------------------------------------|
| Common Stock, par value \$0.10 per share | IPG               | The New York Stock Exchange               |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02. Results of Operations and Financial Condition.**

On February 10, 2021, The Interpublic Group of Companies, Inc. (i) issued a press release, a copy of which is attached hereto as Exhibit 99.1 and incorporated by reference herein, announcing its results for the fourth quarter and full year of 2020, (ii) held a conference call to discuss the foregoing results and (iii) posted an investor presentation, a copy of which is attached hereto as Exhibit 99.2 and incorporated by reference herein, on its website in connection with the conference call.

**Item 9.01. Financial Statements and Exhibits.**

[Exhibit 99.1:](#) Press release dated February 10, 2021 (furnished pursuant to Item 2.02)

[Exhibit 99.2:](#) Investor presentation dated February 10, 2021 (furnished pursuant to Item 2.02)

Exhibit 104: Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document (included as Exhibit 101).

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**SIGNATURES**

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

Date: February 10, 2021

THE INTERPUBLIC GROUP OF COMPANIES, INC.

By: /s/ Andrew Bonzani

Name: Andrew Bonzani

Title: Executive Vice President, General Counsel and Secretary



FOR IMMEDIATE RELEASE

New York, NY (February 10, 2021)

### IPG Announces Full Year and Fourth Quarter 2020 Results

- *Fourth quarter reported net revenue of \$2.28 billion, a decrease of 6.1% from a year ago, with organic net revenue decrease of 5.4%, due to challenging macroeconomic environment*
- *Fourth quarter organic net revenue decreases of 1.8% in the U.S. and 10.5% in International markets*
- *Fourth quarter diluted earnings per share of \$0.28 as reported and \$0.86 as adjusted*
- *Full year reported net revenue decrease of 6.5%, and organic net revenue decrease of 4.8%*
- *Full year reported net income was \$351.1 million, including restructuring charges, and adjusted EBITA before restructuring charges was \$1.09 billion*
- *Full year adjusted EBITA before restructuring charges margin on net revenue of 13.5%*
- *Full year diluted earnings per share of \$0.89 and \$1.73 as adjusted*
- *Management continued a program of structural operating cost reduction, resulting in restructuring charges of \$413.8 million for the full year*
- *Board approves 6% increase in quarterly dividend*

Philippe Krakowsky, CEO of IPG:

"Our focus remains on mitigating the impact of the health crisis on our clients, our business, and most important, our people. Their achievements have been remarkable, and I want to express our admiration for their resilience, and our appreciation for their ongoing commitment and effort."

"As expected, our results this quarter continue to reflect the effect of the pandemic. Under challenging conditions, we reported a solid fourth quarter, especially in the U.S., and full year performance that once again should place us at the top of our sector. We continued to be disciplined with respect to expenses, proactive and strategic in our approach to structural cost actions, while simultaneously investing in our business during the year to accelerate areas of strongest opportunity and growth. That investment continues to result in differentiated capabilities and forward-looking offerings, which are in demand and driving success in the marketplace."

"Heading into 2021, we are confident of the strength and competitiveness of our offerings, the talent within our group, and the value that our services can deliver by ensuring that clients' businesses and brands thrive in the digital economy. Our commitment to a strong balance

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sheet and financial flexibility remains a key priority, and the action by our Board announced today to increase our dividend further speaks to confidence in the forward trajectory of our company. While visibility into the full year remains challenging, due to exceptional macroeconomic circumstances, we fully expect to return to positive organic growth over the course of the year, and to post full-year 2021 growth consistent with the industry, on top of IPG's 2020 outperformance relative to our peer group. Along with that growth, we expect to continue to build on our long-term record of improving profitability and sustained value creation."

## **Summary**

### **Revenue**

- Fourth quarter 2020 net revenue was \$2.28 billion, compared to \$2.43 billion in the fourth quarter of 2019. During the quarter, the organic net revenue decrease was 5.4%, while the effect of foreign currency translation was positive 0.1%, and the impact of net dispositions was negative 0.8%. Fourth quarter 2020 total revenue, which includes billable expenses, was \$2.55 billion, compared to \$2.90 billion in 2019.
- Full year 2020 net revenue was \$8.06 billion, compared to \$8.63 billion in 2019. During the year, the organic net revenue decrease was 4.8%, while the effect of foreign currency translation was negative 0.8%, and the impact of net dispositions was negative 0.9%. Full year 2020 total revenue, which includes billable expenses, was \$9.06 billion, compared to \$10.22 billion in 2019.

### **Operating Results**

- Operating income in the fourth quarter of 2020 was \$223.4 million, including restructuring charges of \$253.9 million, compared to \$491.3 million in 2019. Adjusted EBITA before restructuring charges was \$498.8 million in the fourth quarter of 2020, compared to adjusted EBITA of \$512.7 million for the same period in 2019. Adjusted EBITA before restructuring charges margin on net revenue was 21.8%, compared to adjusted EBITA margin of 21.1% for the same period in 2019.
- Operating income for the full year 2020 was \$588.4 million, including restructuring charges of \$413.8 million, compared to \$1.09 billion in 2019, including restructuring charges of \$33.9 million. Adjusted EBITA before restructuring charges was \$1.09 billion for the full year 2020, compared to \$1.20 billion for the same period in 2019. Adjusted EBITA before restructuring charges margin on net revenue was 13.5% in 2020, compared to 14.0% in 2019.

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- In the fourth quarter and full year of 2020, the Company recognized restructuring charges of \$253.9 million and \$413.8 million, respectively, of which \$169.9 million and \$265.6 million, respectively, were non-cash. We expect that our restructuring actions taken throughout this year will together result in annualized structural operating expense savings of approximately \$160 million.
- Refer to reconciliations on page 13 for more detail.

#### **Net Results**

- Income tax provision in the fourth quarter of 2020 was \$58.1 million on income before income taxes of \$173.6 million.
- Fourth quarter 2020 net income available to IPG common stockholders was \$112.3 million, resulting in earnings of \$0.29 per basic share and \$0.28 per diluted share, compared to \$0.85 and \$0.84, respectively, for the same period in 2019. Adjusted earnings were \$0.86 per diluted share as adjusted for after-tax amortization of acquired intangibles of \$17.3 million, after-tax restructuring charges of \$197.0 million, and an after-tax loss of \$13.2 million on the sales of businesses. This compares to adjusted earnings of \$0.88 per diluted share a year ago.
- Income tax provision for the full year 2020 was \$8.0 million on income before income taxes of \$361.3 million, primarily driven by an income tax benefit of \$136.2 million related to the finalization and settlement of the U.S. Federal income tax audit of the years 2006 through 2016.
- Full year 2020 net income available to IPG common stockholders was \$351.1 million, resulting in earnings of \$0.90 per basic share and \$0.89 per diluted share, compared to \$1.70 and \$1.68, respectively, for the same period in 2019. Adjusted earnings were \$1.73 per diluted share as adjusted for after-tax amortization of acquired intangibles of \$69.0 million, after-tax restructuring charges of \$320.7 million, an after-tax loss of \$62.0 million on the sales of businesses, and the net positive impact of various discrete tax items of \$122.6 million. This compares to adjusted earnings of \$1.93 per diluted share a year ago.
- Refer to reconciliations on pages 11 to 15 for more detail.

#### **Operating Results**

##### **Revenue**

During the fourth quarter of 2020, net revenue of \$2.28 billion decreased 6.1% compared to the same period in 2019. During the quarter, the effect of foreign currency translation was positive 0.1%, the impact of net divestitures was negative 0.8%, and the resulting organic revenue decrease was 5.4%. Total revenue of \$2.55 billion in the fourth quarter of 2020 decreased 12.1% compared to 2019.

For the full year 2020, net revenue of \$8.06 billion decreased 6.5% compared to the same period in 2019. During the year, the effect of foreign currency translation was negative 0.8%, the impact of net divestitures was negative 0.9%, and the resulting organic revenue decrease was 4.8%. Total revenue of \$9.06 billion decreased 11.4% during the full year 2020 compared to 2019.

#### **Operating Expenses**

For the fourth quarter of 2020, total operating expenses, excluding billable expenses and including restructuring charges, increased by 6.1%, and excluding restructuring charges decreased by 6.9%, compared to a net revenue decrease of 6.1% for the same period. For the full year 2020, total operating expenses, excluding billable expenses and including restructuring charges, decreased by 0.8%, and excluding restructuring charges decreased by 5.9%, compared to a net revenue decrease of 6.5% from a year ago.

Staff cost ratio, which is total salaries and related expenses as a percentage of net revenue, was 58.9% in the fourth quarter of 2020, which remained flat compared to the same period in 2019. For the full year 2020, staff cost ratio was 66.3%, compared to 64.6% in the same period in 2019. During the fourth quarter of 2020, salaries and related expenses were \$1.35 billion, a decrease of 6.0% compared to the same period in 2019. For the full year 2020, salaries and related expenses were \$5.35 billion, a decrease of 4.0% compared to 2019. The decrease was primarily driven by reductions in base salaries, benefits and tax and lower incentive and temporary help expenses in response to the declines in net revenue, which were primarily due to the impact of the COVID-19 pandemic on economic conditions. The decreases were partially offset by increased severance expense.

For the fourth quarter and full year 2020, office and other direct expenses as a percentage of net revenue decreased to 16.0% and 17.0%, respectively, from 17.3% and 18.1%, respectively, for the same periods in 2019. During the fourth quarter of 2020, office and other direct expenses were \$364.8 million, a decrease of 13.1% compared to the same period in 2019. For the full year 2020, office and other direct expenses were \$1.37 billion, a decrease of 12.5% compared to 2019. The decrease in office and other direct expenses was mainly due to decreases in travel and entertainment expenses and new business and promotion expenses as well as lower occupancy expense and professional consulting fees, partially offset by an increase in bad debt expense.

For the fourth quarter of 2020, selling, general and administrative expenses as a percentage of net revenue was 1.0%, which remained flat compared to the same period in 2019. For the full year 2020 selling, general and administrative expenses as a percentage of net revenue decreased to 0.7%, from 1.1% in 2019. During the fourth quarter of 2020, selling, general and administrative expenses were \$22.4 million, a decrease of 8.6% compared to the same period in

2019. For the full year 2020, selling, general and administrative expenses were \$58.8 million, a decrease of 37.3% compared to 2019. The decrease was primarily attributable to a decrease in employee insurance expense, resulting from fewer insurance claims as well as lower incentive expense and travel and entertainment expenses.

For the fourth quarter and full year 2020, depreciation and amortization as a percentage of net revenue was 3.2% and 3.6%, respectively, compared to 2.7% and 3.2%, respectively, for the same periods in 2019. During the fourth quarter of 2020, depreciation and amortization was \$73.7 million, an increase of 12.7% compared to the same period in 2019. For the full year 2020, depreciation and amortization was \$290.6 million, an increase of 4.3% compared to 2019.

During the fourth quarter and full year 2020, restructuring charges were \$253.9 million and \$413.8 million, respectively, due to actions taken, with the objective of lowering our operating expenses structurally and permanently relative to revenue and accelerating the transformation of our business. The non-cash component of these charges was \$169.9 million and \$265.6 million for the fourth quarter and full year 2020, respectively. The majority of our charges reflect our actions to exit leased space totaling approximately 1.7 million square feet over the course of the year, in approximately 120 locations around the world.

#### **Non-Operating Results and Tax**

Net interest expense increased by \$1.3 million to \$40.0 million in the fourth quarter of 2020 from a year ago. Full year 2020 net interest expense decreased by \$2.1 million to \$162.7 million from a year ago.

Other expense, net was \$9.8 million for the fourth quarter of 2020 and \$64.4 million for the full year 2020, which primarily included losses on the sales of certain small, non-strategic businesses.

The income tax provision in the fourth quarter of 2020 was \$58.1 million on income before income taxes of \$173.6 million, compared to a provision of \$86.1 million on income before income taxes of \$427.8 million in the same period in 2019. The income tax provision for the full year 2020 was \$8.0 million on income before income taxes of \$361.3 million, compared to a provision of \$204.8 million on income before income taxes of \$878.3 million in 2019. The decrease in the provision for the full year 2020 is primarily due to an income tax benefit related to the finalization and settlement of the U.S. Federal income tax audit of the years 2006 through 2016.

The effective tax rate for the fourth quarter of 2020 was 33.5% compared to 20.1% for the same period in 2019. Excluding the impacts of amortization of acquired intangibles, restructuring charges, and losses on the sales of businesses, the effective tax rate for the fourth quarter of



2020 was 26.1% compared to 24.5% in 2019 as similarly adjusted. The effective tax rate for the full year 2020 was 2.2% compared to 23.3% for the same period in 2019. Excluding the impacts of amortization of acquired intangibles, restructuring charges, net losses on the sales of businesses, and the net positive impact of various discrete tax items, the effective tax rate for the full year 2020 was 26.5% compared to 25.8% in 2019 as similarly adjusted.

#### **Balance Sheet**

At December 31, 2020, cash and cash equivalents totaled \$2.51 billion, compared to \$1.19 billion at December 31, 2019. Total debt was \$3.47 billion at December 31, 2020, compared to \$3.33 billion at December 31, 2019.

#### **Common Stock Dividend**

During the fourth quarter of 2020, the Company declared and paid a common stock cash dividend of \$0.255 per share, for a total of \$99.5 million. During 2020, the Company paid four quarterly cash dividends of \$0.255 per share on our common stock, which corresponded to aggregate dividend payments of \$398.1 million for the full year.

On February 10, 2021, the Company also announced that its Board of Directors has declared a common stock cash dividend of \$0.27 per share, payable quarterly to holders of record on an ongoing basis.

For further information regarding the Company's financial results as well as certain non-GAAP measures including organic net revenue growth, adjusted EBITA, adjusted EBITA before restructuring charges and adjusted earnings per diluted share, and the reconciliations thereof, please refer to pages 11 to 15 and our Investor Presentation filed on Form 8-K herewith and available on our website, [www.interpublic.com](http://www.interpublic.com).

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#### **About Interpublic**

Interpublic is values-based, data-fueled, and creatively-driven. Major global brands include Acxiom, Craft, FCB (Foote, Cone & Belding), FutureBrand, Golin, Huge, Initiative, Jack Morton, Kinesso, MAGNA, Matterkind, McCann, Mediahub, Momentum, MRM, MullenLowe Group, Octagon, R/GA, UM and Weber Shandwick. Other leading brands include Avrett Free Ginsberg, Campbell Ewald, Carmichael Lynch, Deutsch, Hill Holliday, ID Media and The Martin Agency. For more information, please visit [www.interpublic.com](http://www.interpublic.com).

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### Cautionary Statement

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

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

- the effects of a challenging economy on the demand for our advertising and marketing services, on our clients' financial condition and on our business or financial condition;
- the impacts of the novel coronavirus (COVID-19) pandemic and the measures to contain its spread, including social distancing efforts and restrictions on businesses, social activities and travel, any failure to realize anticipated benefits from the rollout of COVID-19 vaccination campaigns and the resulting impact on the economy, our clients and demand for our services, which may precipitate or exacerbate other risks and uncertainties;
- our ability to attract new clients and retain existing clients;
- our ability to retain and attract key employees;
- risks associated with assumptions we make in connection with our critical accounting estimates, including changes in assumptions associated with any effects of a weakened economy;
- potential adverse effects if we are required to recognize impairment charges or other adverse accounting-related developments;
- risks associated with the effects of global, national and regional economic and political conditions, including counterparty risks and fluctuations in economic growth rates, interest rates and currency exchange rates;
- developments from changes in the regulatory and legal environment for advertising and marketing and communications services companies around the world, including laws and regulations related to data protection and consumer privacy; and
- failure to fully realize the anticipated benefits of our 2020 restructuring actions and other cost-saving initiatives.

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

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES  
CONSOLIDATED SUMMARY OF EARNINGS  
FOURTH QUARTER REPORT 2020 AND 2019  
(Amounts in Millions except Per Share Data)  
(UNAUDITED)

|                                                                 | Three Months Ended December 31, |                 |                             |
|-----------------------------------------------------------------|---------------------------------|-----------------|-----------------------------|
|                                                                 | 2020                            | 2019            | Fav. (Unfav.)<br>% Variance |
| <b>Revenue:</b>                                                 |                                 |                 |                             |
| Net Revenue                                                     | \$ 2,284.4                      | \$ 2,433.0      | (6.1)%                      |
| Billable Expenses                                               | 265.6                           | 468.8           | (43.3)%                     |
| <b>Total Revenue</b>                                            | <b>2,550.0</b>                  | <b>2,901.8</b>  | <b>(12.1)%</b>              |
| <b>Operating Expenses:</b>                                      |                                 |                 |                             |
| Salaries and Related Expenses                                   | 1,346.2                         | 1,432.1         | 6.0 %                       |
| Office and Other Direct Expenses                                | 364.8                           | 419.7           | 13.1 %                      |
| Billable Expenses                                               | 265.6                           | 468.8           | 43.3 %                      |
| Cost of Services                                                | 1,976.6                         | 2,320.6         | 14.8 %                      |
| Selling, General and Administrative Expenses                    | 22.4                            | 24.5            | 8.6 %                       |
| Depreciation and Amortization                                   | 73.7                            | 65.4            | (12.7)%                     |
| Restructuring Charges                                           | 253.9                           | 0.0             | >(100)%                     |
| <b>Total Operating Expenses</b>                                 | <b>2,326.6</b>                  | <b>2,410.5</b>  | <b>3.5 %</b>                |
| <b>Operating Income</b>                                         | <b>223.4</b>                    | <b>491.3</b>    | <b>(54.5)%</b>              |
| <b>Expenses and Other Income:</b>                               |                                 |                 |                             |
| Interest Expense                                                | (46.8)                          | (48.2)          |                             |
| Interest Income                                                 | 6.8                             | 9.5             |                             |
| Other Expense, Net                                              | (9.8)                           | (24.8)          |                             |
| <b>Total (Expenses) and Other Income</b>                        | <b>(49.8)</b>                   | <b>(63.5)</b>   |                             |
| <b>Income Before Income Taxes</b>                               | <b>173.6</b>                    | <b>427.8</b>    |                             |
| Provision for Income Taxes                                      | 58.1                            | 86.1            |                             |
| <b>Income of Consolidated Companies</b>                         | <b>115.5</b>                    | <b>341.7</b>    |                             |
| Equity in Net Income of Unconsolidated Affiliates               | 1.5                             | 0.5             |                             |
| <b>Net Income</b>                                               | <b>117.0</b>                    | <b>342.2</b>    |                             |
| Net Income Attributable to Noncontrolling Interests             | (4.7)                           | (13.3)          |                             |
| <b>Net Income Available to IPG Common Stockholders</b>          | <b>\$ 112.3</b>                 | <b>\$ 328.9</b> |                             |
| <b>Earnings Per Share Available to IPG Common Stockholders:</b> |                                 |                 |                             |
| Basic                                                           | \$ 0.29                         | \$ 0.85         |                             |
| Diluted                                                         | \$ 0.28                         | \$ 0.84         |                             |
| <b>Weighted-Average Number of Common Shares Outstanding:</b>    |                                 |                 |                             |
| Basic                                                           | 390.5                           | 386.9           |                             |
| Diluted                                                         | 396.1                           | 393.3           |                             |
| <b>Dividends Declared Per Common Share</b>                      | <b>\$ 0.255</b>                 | <b>\$ 0.235</b> |                             |

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES  
CONSOLIDATED SUMMARY OF EARNINGS  
ANNUAL REPORT 2020 AND 2019  
(Amounts in Millions except Per Share Data)  
(UNAUDITED)

|                                                                 | Twelve Months Ended December 31, |                 |                             |
|-----------------------------------------------------------------|----------------------------------|-----------------|-----------------------------|
|                                                                 | 2020                             | 2019            | Fav. (Unfav.)<br>% Variance |
| <b>Revenue:</b>                                                 |                                  |                 |                             |
| Net Revenue                                                     | \$ 8,064.5                       | \$ 8,625.1      | (6.5)%                      |
| Billable Expenses                                               | 996.5                            | 1,596.2         | (37.6)%                     |
| <b>Total Revenue</b>                                            | <u>9,061.0</u>                   | <u>10,221.3</u> | <u>(11.4)%</u>              |
| <b>Operating Expenses:</b>                                      |                                  |                 |                             |
| Salaries and Related Expenses                                   | 5,345.0                          | 5,568.8         | 4.0 %                       |
| Office and Other Direct Expenses                                | 1,367.9                          | 1,564.1         | 12.5 %                      |
| Billable Expenses                                               | 996.5                            | 1,596.2         | 37.6 %                      |
| Cost of Services                                                | 7,709.4                          | 8,729.1         | 11.7 %                      |
| Selling, General and Administrative Expenses                    | 58.8                             | 93.8            | 37.3 %                      |
| Depreciation and Amortization                                   | 290.6                            | 278.5           | (4.3)%                      |
| Restructuring Charges                                           | 413.8                            | 33.9            | >(100)%                     |
| <b>Total Operating Expenses</b>                                 | <u>8,472.6</u>                   | <u>9,135.3</u>  | <u>7.3 %</u>                |
| <b>Operating Income</b>                                         | 588.4                            | 1,086.0         | (45.8)%                     |
| <b>Expenses and Other Income:</b>                               |                                  |                 |                             |
| Interest Expense                                                | (192.2)                          | (199.3)         |                             |
| Interest Income                                                 | 29.5                             | 34.5            |                             |
| Other Expense, Net                                              | (64.4)                           | (42.9)          |                             |
| <b>Total (Expenses) and Other Income</b>                        | <u>(227.1)</u>                   | <u>(207.7)</u>  |                             |
| <b>Income Before Income Taxes</b>                               | 361.3                            | 878.3           |                             |
| Provision for Income Taxes                                      | 8.0                              | 204.8           |                             |
| <b>Income of Consolidated Companies</b>                         | 353.3                            | 673.5           |                             |
| Equity in Net Income of Unconsolidated Affiliates               | 0.9                              | 0.4             |                             |
| <b>Net Income</b>                                               | 354.2                            | 673.9           |                             |
| Net Income Attributable to Noncontrolling Interests             | (3.1)                            | (17.9)          |                             |
| <b>Net Income Attributable to IPG Common Stockholders</b>       | <u>\$ 351.1</u>                  | <u>\$ 656.0</u> |                             |
| <b>Earnings Per Share Available to IPG Common Stockholders:</b> |                                  |                 |                             |
| Basic                                                           | \$ 0.90                          | \$ 1.70         |                             |
| Diluted                                                         | \$ 0.89                          | \$ 1.68         |                             |
| <b>Weighted-Average Number of Common Shares Outstanding:</b>    |                                  |                 |                             |
| Basic                                                           | 389.4                            | 386.1           |                             |
| Diluted                                                         | 393.2                            | 391.2           |                             |
| <b>Dividends Declared Per Common Share</b>                      | \$ 1.020                         | \$ 0.940        |                             |

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THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES  
U.S. GAAP RECONCILIATION OF NON-GAAP ADJUSTED RESULTS  
(Amounts in Millions except Per Share Data)  
(UNAUDITED)

Three Months Ended December 31, 2020

|                                                                                     | As Reported     | Amortization of<br>Acquired Intangibles | Restructuring Charges | Net Losses on Sales of<br>Businesses <sup>1</sup> | Adjusted Results (Non-<br>GAAP) |
|-------------------------------------------------------------------------------------|-----------------|-----------------------------------------|-----------------------|---------------------------------------------------|---------------------------------|
| <b>Operating Income and Adjusted EBITA before Restructuring Charges<sup>2</sup></b> | \$ 223.4        | \$ (21.5)                               | \$ (253.9)            |                                                   | \$ 498.8                        |
| Total (Expenses) and Other Income <sup>3</sup>                                      | (49.8)          |                                         |                       | \$ (15.2)                                         | (34.6)                          |
| <b>Income Before Income Taxes</b>                                                   | <b>173.6</b>    | <b>(21.5)</b>                           | <b>(253.9)</b>        | <b>(15.2)</b>                                     | <b>464.2</b>                    |
| Provision for Income Taxes                                                          | 58.1            | 4.2                                     | 56.9                  | 2.0                                               | 121.2                           |
| <i>Effective Tax Rate</i>                                                           | 33.5 %          |                                         |                       |                                                   | 26.1 %                          |
| Equity in Net Income of Unconsolidated Affiliates                                   | 1.5             |                                         |                       |                                                   | 1.5                             |
| Net Income Attributable to Noncontrolling Interests                                 | (4.7)           |                                         |                       |                                                   | (4.7)                           |
| <b>Net Income Available to IPG Common Stockholders</b>                              | <b>\$ 112.3</b> | <b>\$ (17.3)</b>                        | <b>\$ (197.0)</b>     | <b>\$ (13.2)</b>                                  | <b>\$ 339.8</b>                 |
| <b>Weighted-Average Number of Common Shares Outstanding - Basic</b>                 | 390.5           |                                         |                       |                                                   | 390.5                           |
| Dilutive effect of stock options and restricted shares                              | 5.6             |                                         |                       |                                                   | 5.6                             |
| <b>Weighted-Average Number of Common Shares Outstanding - Diluted</b>               | <b>396.1</b>    |                                         |                       |                                                   | <b>396.1</b>                    |
| <b>Earnings Per Share Available to IPG Common Stockholders<sup>4</sup>:</b>         |                 |                                         |                       |                                                   |                                 |
| Basic                                                                               | \$ 0.29         | \$ (0.04)                               | \$ (0.50)             | \$ (0.03)                                         | \$ 0.87                         |
| Diluted                                                                             | \$ 0.28         | \$ (0.04)                               | \$ (0.50)             | \$ (0.03)                                         | \$ 0.86                         |

<sup>1</sup> Includes losses on complete dispositions of businesses and the classification of certain assets as held for sale.

<sup>2</sup> Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on page 13.

<sup>3</sup> Consists of non-operating expenses including interest expense, net and other expense, net.

<sup>4</sup> Earnings per share may not add due to rounding.

Note: Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES  
U.S. GAAP RECONCILIATION OF NON-GAAP ADJUSTED RESULTS  
(Amounts in Millions except Per Share Data)  
(UNAUDITED)

|                                                                                     | Twelve Months Ended December 31, 2020 |                                      |                       |                                                |                                                       |                             |
|-------------------------------------------------------------------------------------|---------------------------------------|--------------------------------------|-----------------------|------------------------------------------------|-------------------------------------------------------|-----------------------------|
|                                                                                     | As Reported                           | Amortization of Acquired Intangibles | Restructuring Charges | Net Losses on Sales of Businesses <sup>1</sup> | Net Impact of Various Discrete Tax Items <sup>2</sup> | Adjusted Results (Non-GAAP) |
| <b>Operating Income and Adjusted EBITA before Restructuring Charges<sup>3</sup></b> | \$ 588.4                              | \$ (85.9)                            | \$ (413.8)            |                                                |                                                       | \$ 1,088.1                  |
| Total (Expenses) and Other Income <sup>4</sup>                                      | (227.1)                               |                                      |                       | \$ (67.0)                                      |                                                       | (160.1)                     |
| <b>Income Before Income Taxes</b>                                                   | <b>361.3</b>                          | <b>(85.9)</b>                        | <b>(413.8)</b>        | <b>(67.0)</b>                                  |                                                       | <b>928.0</b>                |
| Provision for Income Taxes                                                          | 8.0                                   | 16.9                                 | 93.1                  | 5.0                                            | \$ 122.6                                              | 245.6                       |
| Effective Tax Rate                                                                  | 2.2 %                                 |                                      |                       |                                                |                                                       | 26.5 %                      |
| Equity in Net Income of Unconsolidated Affiliates                                   | 0.9                                   |                                      |                       |                                                |                                                       | 0.9                         |
| Net Income Attributable to Noncontrolling Interests                                 | (3.1)                                 |                                      |                       |                                                |                                                       | (3.1)                       |
| <b>Net Income Available to IPG Common Stockholders</b>                              | <b>\$ 351.1</b>                       | <b>\$ (69.0)</b>                     | <b>\$ (320.7)</b>     | <b>\$ (62.0)</b>                               | <b>\$ 122.6</b>                                       | <b>\$ 680.2</b>             |
| <b>Weighted-Average Number of Common Shares Outstanding - Basic</b>                 | <b>389.4</b>                          |                                      |                       |                                                |                                                       | <b>389.4</b>                |
| Dilutive effect of stock options and restricted shares                              | 3.8                                   |                                      |                       |                                                |                                                       | 3.8                         |
| <b>Weighted-Average Number of Common Shares Outstanding - Diluted</b>               | <b>393.2</b>                          |                                      |                       |                                                |                                                       | <b>393.2</b>                |
| <b>Earnings Per Share Available to IPG Common Stockholders<sup>5</sup>:</b>         |                                       |                                      |                       |                                                |                                                       |                             |
| Basic                                                                               | \$ 0.90                               | \$ (0.18)                            | \$ (0.82)             | \$ (0.16)                                      | \$ 0.31                                               | \$ 1.75                     |
| Diluted                                                                             | \$ 0.89                               | \$ (0.18)                            | \$ (0.82)             | \$ (0.16)                                      | \$ 0.31                                               | \$ 1.73                     |

<sup>1</sup> Includes losses on complete dispositions of businesses and the classification of certain assets as held for sale.

<sup>2</sup> Includes a tax benefit of \$136.2 related to the finalization and settlement of the U.S. Federal income tax audit for years 2006 through 2016 partially offset by \$13.6 of tax expense related to the estimated costs associated with our change in our APB 23 assertion for certain foreign subsidiaries.

<sup>3</sup> Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on page 13.

<sup>4</sup> Consists of non-operating expenses including interest expense, net and other expense, net.

<sup>5</sup> Earnings per share may not add due to rounding.

Note: Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.

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THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES  
U.S. GAAP RECONCILIATION OF NON-GAAP ADJUSTED RESULTS  
(Amounts in Millions)  
(UNAUDITED)

|                                                                            | Three Months Ended December 31, |                   | Twelve Months Ended December 31, |                   |
|----------------------------------------------------------------------------|---------------------------------|-------------------|----------------------------------|-------------------|
|                                                                            | 2020                            | 2019              | 2020                             | 2019              |
| <b>Net Revenue</b>                                                         | <b>\$ 2,284.4</b>               | <b>\$ 2,433.0</b> | <b>\$ 8,064.5</b>                | <b>\$ 8,625.1</b> |
| <b>Non-GAAP Reconciliation:</b>                                            |                                 |                   |                                  |                   |
| <b>Net Income Available to IPG Common Stockholders</b>                     | <b>\$ 112.3</b>                 | <b>\$ 328.9</b>   | <b>\$ 351.1</b>                  | <b>\$ 656.0</b>   |
| Add Back:                                                                  |                                 |                   |                                  |                   |
| Provision for Income Taxes                                                 | 58.1                            | 86.1              | 8.0                              | 204.8             |
| Subtract:                                                                  |                                 |                   |                                  |                   |
| Total (Expenses) and Other Income                                          | (49.8)                          | (63.5)            | (227.1)                          | (207.7)           |
| Equity in Net Income of Unconsolidated Affiliates                          | 1.5                             | 0.5               | 0.9                              | 0.4               |
| Net Income Attributable to Noncontrolling Interests                        | (4.7)                           | (13.3)            | (3.1)                            | (17.9)            |
| <b>Operating Income</b>                                                    | <b>223.4</b>                    | <b>491.3</b>      | <b>588.4</b>                     | <b>1,086.0</b>    |
| Add Back:                                                                  |                                 |                   |                                  |                   |
| Amortization of Acquired Intangibles                                       | 21.5                            | 21.4              | 85.9                             | 86.0              |
| <b>Adjusted EBITA</b>                                                      | <b>244.9</b>                    | <b>512.7</b>      | <b>674.3</b>                     | <b>1,172.0</b>    |
| <i>Adjusted EBITA Margin on Net Revenue %</i>                              | <i>10.7 %</i>                   | <i>21.1 %</i>     | <i>8.4 %</i>                     | <i>13.6 %</i>     |
| Restructuring Charges <sup>1</sup>                                         | 253.9                           | N/A               | 413.8                            | 31.8              |
| <b>Adjusted EBITA before Restructuring Charges</b>                         | <b>\$ 498.8</b>                 | <b>N/A</b>        | <b>\$ 1,088.1</b>                | <b>\$ 1,203.8</b> |
| <i>Adjusted EBITA before Restructuring Charges Margin on Net Revenue %</i> | <i>21.8 %</i>                   | <i>N/A</i>        | <i>13.5 %</i>                    | <i>14.0 %</i>     |

<sup>1</sup> In the second, third and fourth quarters of 2020, the Company took restructuring actions to lower our operating expenses structurally and permanently relative to revenue and to accelerate the transformation of our business. The adjustment of \$31.8 for restructuring charges for the nine months ended September 30, 2019 only includes restructuring charges during the first quarter of 2019, which relate to a cost initiative to better align our cost structure with our revenue due to client losses occurring in 2018.

Note: Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.



THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES  
U.S. GAAP RECONCILIATION OF NON-GAAP ADJUSTED RESULTS  
(Amounts in Millions except Per Share Data)  
(UNAUDITED)

|                                                                              | Three Months Ended December 31, 2019 |                                         |                                                   |                                      |                                 |
|------------------------------------------------------------------------------|--------------------------------------|-----------------------------------------|---------------------------------------------------|--------------------------------------|---------------------------------|
|                                                                              | As Reported                          | Amortization of<br>Acquired Intangibles | Net Losses on Sales of<br>Businesses <sup>1</sup> | Tax Valuation<br>Allowance Reversals | Adjusted Results (Non-<br>GAAP) |
| <b>Operating Income and Adjusted EBITA <sup>2</sup></b>                      | \$ 491.3                             | \$ (21.4)                               |                                                   |                                      | \$ 512.7                        |
| Total (Expenses) and Other Income <sup>3</sup>                               | (63.5)                               |                                         | \$ (24.0)                                         |                                      | (39.5)                          |
| <b>Income Before Income Taxes</b>                                            | <b>427.8</b>                         | <b>(21.4)</b>                           | <b>(24.0)</b>                                     |                                      | <b>473.2</b>                    |
| Provision for Income Taxes                                                   | 86.1                                 | 4.2                                     | 0.4                                               | \$ 25.3                              | 116.0                           |
| <i>Effective Tax Rate</i>                                                    | 20.1 %                               |                                         |                                                   |                                      | 24.5 %                          |
| Equity in Net Income of Unconsolidated Affiliates                            | 0.5                                  |                                         |                                                   |                                      | 0.5                             |
| Net Income Attributable to Noncontrolling Interests                          | (13.3)                               |                                         |                                                   |                                      | (13.3)                          |
| <b>Net Income Available to IPG Common Stockholders</b>                       | <b>\$ 328.9</b>                      | <b>\$ (17.2)</b>                        | <b>\$ (23.6)</b>                                  | <b>\$ 25.3</b>                       | <b>\$ 344.4</b>                 |
| <b>Weighted-Average Number of Common Shares Outstanding - Basic</b>          | <b>386.9</b>                         |                                         |                                                   |                                      | <b>386.9</b>                    |
| Dilutive effect of stock options and restricted shares                       | 6.4                                  |                                         |                                                   |                                      | 6.4                             |
| <b>Weighted-Average Number of Common Shares Outstanding - Diluted</b>        | <b>393.3</b>                         |                                         |                                                   |                                      | <b>393.3</b>                    |
| <b>Earnings Per Share Available to IPG Common Stockholders <sup>4</sup>:</b> |                                      |                                         |                                                   |                                      |                                 |
| Basic                                                                        | \$ 0.85                              | \$ (0.04)                               | \$ (0.06)                                         | \$ 0.07                              | \$ 0.89                         |
| Diluted                                                                      | \$ 0.84                              | \$ (0.04)                               | \$ (0.06)                                         | \$ 0.06                              | \$ 0.88                         |

<sup>1</sup> Includes losses on complete dispositions of businesses and the classification of certain assets as held for sale.

<sup>2</sup> Refer to non-GAAP reconciliation of Adjusted EBITA on page 13.

<sup>3</sup> Consists of non-operating expenses including interest expense, net and other expense, net.

<sup>4</sup> Earnings per share may not add due to rounding.

Note: Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.

THE INTERPUBLIC GROUP OF COMPANIES, INC. AND SUBSIDIARIES  
U.S. GAAP RECONCILIATION OF NON-GAAP ADJUSTED RESULTS  
(Amounts in Millions except Per Share Data)  
(UNAUDITED)

|                                                                                     | Twelve Months Ended December 31, 2019 |                                      |                               |                                                |                                                       |                             |
|-------------------------------------------------------------------------------------|---------------------------------------|--------------------------------------|-------------------------------|------------------------------------------------|-------------------------------------------------------|-----------------------------|
|                                                                                     | As Reported                           | Amortization of Acquired Intangibles | Q1 2019 Restructuring Charges | Net Losses on Sales of Businesses <sup>1</sup> | Net Impact of Various Discrete Tax Items <sup>2</sup> | Adjusted Results (Non-GAAP) |
| <b>Operating Income and Adjusted EBITA before Restructuring Charges<sup>3</sup></b> | \$ 1,086.0                            | \$ (86.0)                            | \$ (31.8)                     |                                                |                                                       | \$ 1,203.8                  |
| Total (Expenses) and Other Income <sup>4</sup>                                      | (207.7)                               |                                      |                               | \$ (46.3)                                      |                                                       | (161.4)                     |
| <b>Income Before Income Taxes</b>                                                   | <b>878.3</b>                          | <b>(86.0)</b>                        | <b>(31.8)</b>                 | <b>(46.3)</b>                                  |                                                       | <b>1,042.4</b>              |
| Provision for Income Taxes                                                          | 204.8                                 | 16.9                                 | 7.6                           | 0.4                                            | \$ 39.2                                               | 268.9                       |
| Effective Tax Rate                                                                  | 23.3 %                                |                                      |                               |                                                |                                                       | 25.8 %                      |
| Equity in Net Income of Unconsolidated Affiliates                                   | 0.4                                   |                                      |                               |                                                |                                                       | 0.4                         |
| Net Income Attributable to Noncontrolling Interests                                 | (17.9)                                |                                      |                               |                                                |                                                       | (17.9)                      |
| <b>Net Income Available to IPG Common Stockholders</b>                              | <b>\$ 656.0</b>                       | <b>\$ (69.1)</b>                     | <b>\$ (24.2)</b>              | <b>\$ (45.9)</b>                               | <b>\$ 39.2</b>                                        | <b>\$ 756.0</b>             |
| <b>Weighted-Average Number of Common Shares Outstanding - Basic</b>                 | <b>386.1</b>                          |                                      |                               |                                                |                                                       | <b>386.1</b>                |
| Dilutive effect of stock options and restricted shares                              | 5.1                                   |                                      |                               |                                                |                                                       | 5.1                         |
| <b>Weighted-Average Number of Common Shares Outstanding - Diluted</b>               | <b>391.2</b>                          |                                      |                               |                                                |                                                       | <b>391.2</b>                |
| <b>Earnings Per Share Available to IPG Common Stockholders<sup>5</sup>:</b>         |                                       |                                      |                               |                                                |                                                       |                             |
| Basic                                                                               | \$ 1.70                               | \$ (0.18)                            | \$ (0.06)                     | \$ (0.12)                                      | \$ 0.10                                               | \$ 1.96                     |
| Diluted                                                                             | \$ 1.68                               | \$ (0.18)                            | \$ (0.06)                     | \$ (0.12)                                      | \$ 0.10                                               | \$ 1.93                     |

<sup>1</sup> Includes losses on complete dispositions of businesses and the classification of certain assets as held for sale.

<sup>2</sup> Includes \$13.9 related to the settlement of certain tax positions in the second quarter of 2019 and \$25.3 related to tax valuation allowance reversals in the fourth quarter of 2019.

<sup>3</sup> Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on page 13.

<sup>4</sup> Consists of non-operating expenses including interest expense, net and other expense, net.

<sup>5</sup> Earnings per share may not add due to rounding.

Note: Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.

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FOURTH QUARTER & FULL YEAR 2020  
EARNINGS CONFERENCE CALL

**Interpublic Group**  
**February 10, 2021**

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## Overview — Fourth Quarter & Full Year 2020

- Fourth Quarter 2020 net revenue change was -6.1% and organic change was -5.4%
  - U.S. organic change of net revenue was -1.8%
  - International organic change of net revenue was -10.5%
- Fourth Quarter net income as reported was \$112.3 million and adjusted EBITA before restructuring charges was \$498.8 million with margin of 21.8%
- Fourth Quarter diluted EPS was \$0.28, and adjusted diluted EPS was \$0.86
- FY-20 net revenue change was -6.5% and organic change was -4.8%
- FY-20 cash flow from operations was \$1.85 billion
- FY-20 restructuring program charges of \$413.8 million targeted to reduce annualized expenses by approximately \$160 million
- Increased quarterly common share dividend 6% to \$0.27

\*Organic growth\* refers exclusively to the organic change of net revenue. Adjusted EBITA before restructuring charges is calculated as net income available to IPG common stockholders before provision for income taxes, total (expenses) and other income, equity in net income of unconsolidated affiliates, net income attributable to noncontrolling interests, amortization of acquired intangibles and restructuring charges. Adjusted diluted EPS is adjusted for amortization of acquired intangibles, restructuring charges and net losses on sales of businesses. See reconciliation of organic net revenue change on pages 20-21 and non-GAAP reconciliation of adjusted results on pages 22-26.

# Operating Performance

|                                                                   | Three Months Ended December 31, |                |      |                |
|-------------------------------------------------------------------|---------------------------------|----------------|------|----------------|
|                                                                   | 2020                            |                | 2019 |                |
| <b>Net Revenue</b>                                                | \$                              | <b>2,284.4</b> | \$   | <b>2,433.0</b> |
| Billable Expenses                                                 |                                 | 265.6          |      | 468.8          |
| <b>Total Revenue</b>                                              |                                 | <b>2,550.0</b> |      | <b>2,901.8</b> |
| Salaries and Related Expenses                                     |                                 | 1,346.2        |      | 1,432.1        |
| Office and Other Direct Expenses                                  |                                 | 364.8          |      | 419.7          |
| Billable Expenses                                                 |                                 | 265.6          |      | 468.8          |
| <b>Cost of Services</b>                                           |                                 | <b>1,976.6</b> |      | <b>2,320.6</b> |
| Selling, General and Administrative Expenses                      |                                 | 22.4           |      | 24.5           |
| Depreciation and Amortization                                     |                                 | 73.7           |      | 65.4           |
| Restructuring Charges                                             |                                 | 253.9          |      | —              |
| <b>Total Operating Expense</b>                                    |                                 | <b>2,326.6</b> |      | <b>2,410.5</b> |
| <b>Operating Income</b>                                           |                                 | <b>223.4</b>   |      | <b>491.3</b>   |
| Interest Expense, net                                             |                                 | (40.0)         |      | (38.7)         |
| Other Expense, net                                                |                                 | (9.8)          |      | (24.8)         |
| <b>Income Before Income Taxes</b>                                 |                                 | <b>173.6</b>   |      | <b>427.8</b>   |
| Provision for Income Taxes                                        |                                 | 58.1           |      | 86.1           |
| Equity in Net Income of Unconsolidated Affiliates                 |                                 | 1.5            |      | 0.5            |
| <b>Net Income</b>                                                 |                                 | <b>117.0</b>   |      | <b>342.2</b>   |
| Net Income Attributable to Noncontrolling Interests               |                                 | (4.7)          |      | (13.3)         |
| <b>Net Income Available to IPG Common Stockholders</b>            | \$                              | <b>112.3</b>   | \$   | <b>328.9</b>   |
| Earnings per Share Available to IPG Common Stockholders - Basic   | \$                              | 0.29           | \$   | 0.85           |
| Earnings per Share Available to IPG Common Stockholders - Diluted | \$                              | 0.28           | \$   | 0.84           |
| Weighted-Average Number of Common Shares Outstanding - Basic      |                                 | 390.5          |      | 386.9          |
| Weighted-Average Number of Common Shares Outstanding - Diluted    |                                 | 396.1          |      | 393.3          |
| Dividends Declared per Common Share                               | \$                              | 0.255          | \$   | 0.235          |

(\$ in Millions, except per share amounts)

Interpublic Group of Companies, Inc. 3

# Net Revenue

|                                 | Three Months Ended |               | Twelve Months Ended |               |
|---------------------------------|--------------------|---------------|---------------------|---------------|
|                                 | \$                 | % Change      | \$                  | % Change      |
| <b>December 31, 2019</b>        | <b>\$ 2,433.0</b>  |               | <b>\$ 8,625.1</b>   |               |
| Foreign currency                | 3.2                | 0.1%          | (68.5)              | (0.8%)        |
| Net acquisitions/(divestitures) | (20.3)             | (0.8%)        | (79.1)              | (0.9%)        |
| Organic                         | (131.5)            | (5.4%)        | (413.0)             | (4.8%)        |
| <b>Total change</b>             | <b>(148.6)</b>     | <b>(6.1%)</b> | <b>(560.6)</b>      | <b>(6.5%)</b> |
| <b>December 31, 2020</b>        | <b>\$ 2,284.4</b>  |               | <b>\$ 8,064.5</b>   |               |

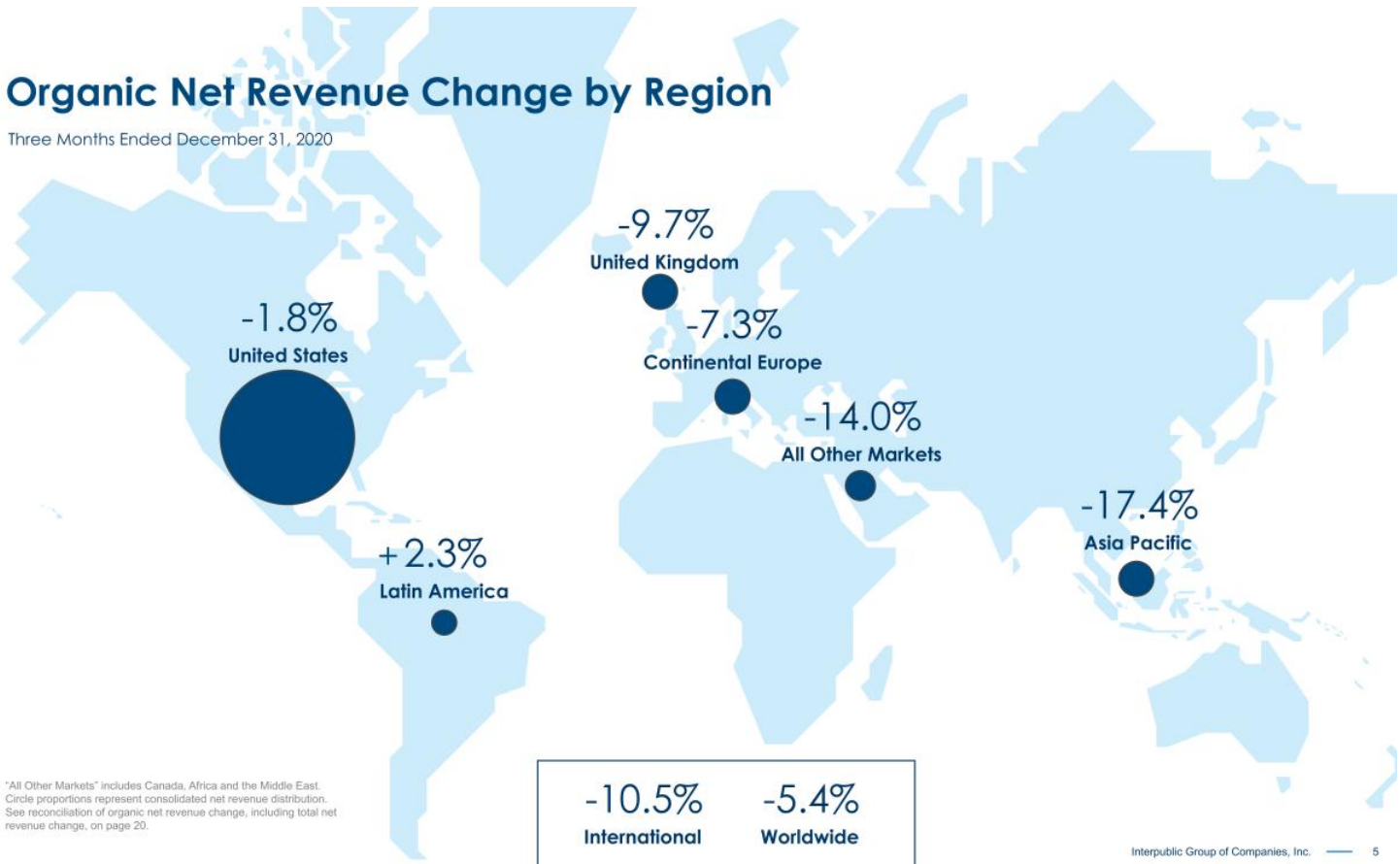
|              | Three Months Ended December 31, |                     |         |         | Twelve Months Ended December 31, |                     |         |         |
|--------------|---------------------------------|---------------------|---------|---------|----------------------------------|---------------------|---------|---------|
|              | 2020                            | 2019 <sup>(1)</sup> | Change  |         | 2020                             | 2019 <sup>(1)</sup> | Change  |         |
|              |                                 |                     | Organic | Total   |                                  |                     | Organic | Total   |
| <b>IAN</b>   | \$ 1,985.7                      | \$ 2,082.4          | (3.8%)  | (4.6%)  | \$ 6,921.4                       | \$ 7,328.8          | (3.6%)  | (5.6%)  |
| <b>DXTRA</b> | \$ 298.7                        | \$ 350.6            | (15.1%) | (14.8%) | \$ 1,143.1                       | \$ 1,296.3          | (11.2%) | (11.8%) |

<sup>(1)</sup> Results for the three months and twelve months ended December 31, 2019 have been recast to conform to the current-period presentation. See reconciliation of segment organic net revenue change on pages 20-21.

(\$ in Millions)

# Organic Net Revenue Change by Region

Three Months Ended December 31, 2020



\*"All Other Markets" includes Canada, Africa and the Middle East.  
Circle proportions represent consolidated net revenue distribution.  
See reconciliation of organic net revenue change, including total net revenue change, on page 20.

# Operating Expenses % of Net Revenue <sup>(1)</sup>

Three Months Ended December 31



<sup>(1)</sup> Excludes billable expenses  
<sup>(2)</sup> Excludes amortization of acquired intangibles.



## 2020 Review of Operating Expenses

- Identified and actioned opportunities for structural expense reduction in real estate and headcount, reflecting new operating environment
- Restructuring program expanded over the course of the year as additional real estate and organizational efficiencies were identified
- FY-20 charge for restructuring was \$413.8 million of which \$265.6 million (64%) was non-cash
- Program actions included 1.7 million leased square feet (15% of 12/31/19 footprint)
- Expect to realize annualized expense savings of approximately \$160 million

# Adjusted Diluted Earnings Per Share

Three Months Ended December 31, 2020

|                                                                                        | As Reported  | Amortization of Acquired Intangibles | Restructuring Charges | Net Losses on Sales of Businesses | Adjusted Results (Non-GAAP) |
|----------------------------------------------------------------------------------------|--------------|--------------------------------------|-----------------------|-----------------------------------|-----------------------------|
| <b>Operating Income and Adjusted EBITA before Restructuring Charges <sup>(1)</sup></b> | \$ 223.4     | \$ (21.5)                            | \$ (253.9)            |                                   | \$ 498.8                    |
| Total (Expenses) and Other Income <sup>(2)</sup>                                       | (49.8)       |                                      |                       | \$ (15.2)                         | (34.6)                      |
| <b>Income Before Income Taxes</b>                                                      | <b>173.6</b> | <b>(21.5)</b>                        | <b>(253.9)</b>        | <b>(15.2)</b>                     | <b>464.2</b>                |
| Provision for Income Taxes                                                             | 58.1         | 4.2                                  | 56.9                  | 2.0                               | 121.2                       |
| Effective Tax Rate                                                                     | 33.5%        |                                      |                       |                                   | 26.1%                       |
| Equity in Net Income of Unconsolidated Affiliates                                      | 1.5          |                                      |                       |                                   | 1.5                         |
| Net Income Attributable to Noncontrolling Interests                                    | (4.7)        |                                      |                       |                                   | (4.7)                       |
| <b>DILUTED EPS COMPONENTS:</b>                                                         |              |                                      |                       |                                   |                             |
| <b>Net Income Available to IPG Common Stockholders</b>                                 | \$ 112.3     | \$ (17.3)                            | \$ (197.0)            | \$ (13.2)                         | \$ 339.8                    |
| Weighted-Average Number of Common Shares Outstanding                                   | 396.1        |                                      |                       |                                   | 396.1                       |
| <b>Earnings per Share Available to IPG Common Stockholders <sup>(3)</sup></b>          | \$ 0.28      | \$ (0.04)                            | \$ (0.50)             | \$ (0.03)                         | \$ 0.86                     |

<sup>(1)</sup> Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on slide 24.

<sup>(2)</sup> Consists of non-operating expenses including interest expense, net and other expense, net.

<sup>(3)</sup> Earnings per share may not add due to rounding.

See full non-GAAP reconciliation of adjusted diluted earnings per share on page 22.

(\$ in Millions, except per share amounts)

Interpublic Group of Companies, Inc. 8

# Adjusted Diluted Earnings Per Share

Twelve Months Ended December 31, 2020

|                                                                                        | As Reported  | Amortization of Acquired Intangibles | Restructuring Charges | Net Losses on Sales of Businesses | Net Impact of Various Discrete Tax Items <sup>(1)</sup> | Adjusted |
|----------------------------------------------------------------------------------------|--------------|--------------------------------------|-----------------------|-----------------------------------|---------------------------------------------------------|----------|
| <b>Operating Income and Adjusted EBITA before Restructuring Charges <sup>(2)</sup></b> | \$ 588.4     | \$ (85.9)                            | \$ (413.8)            |                                   |                                                         | \$       |
| Total (Expenses) and Other Income <sup>(3)</sup>                                       | (227.1)      |                                      |                       | \$ (67.0)                         |                                                         |          |
| <b>Income Before Income Taxes</b>                                                      | <b>361.3</b> | <b>(85.9)</b>                        | <b>(413.8)</b>        | <b>(67.0)</b>                     |                                                         |          |
| Provision for Income Taxes                                                             | 8.0          | 16.9                                 | 93.1                  | 5.0                               | \$ 122.6                                                |          |
| <i>Effective Tax Rate</i>                                                              | 2.2%         |                                      |                       |                                   |                                                         |          |
| Equity in Net Income of Unconsolidated Affiliates                                      | 0.9          |                                      |                       |                                   |                                                         |          |
| Net Income Attributable to Noncontrolling Interests                                    | (3.1)        |                                      |                       |                                   |                                                         |          |

## DILUTED EPS COMPONENTS:

|                                                                               |          |           |            |           |          |    |
|-------------------------------------------------------------------------------|----------|-----------|------------|-----------|----------|----|
| <b>Net Income Available to IPG Common Stockholders</b>                        | \$ 351.1 | \$ (69.0) | \$ (320.7) | \$ (62.0) | \$ 122.6 | \$ |
| Weighted-Average Number of Common Shares Outstanding                          | 393.2    |           |            |           |          |    |
| <b>Earnings per Share Available to IPG Common Stockholders <sup>(4)</sup></b> | \$ 0.89  | \$ (0.18) | \$ (0.82)  | \$ (0.16) | \$ 0.31  | \$ |

<sup>(1)</sup> Includes a tax benefit of \$136.2 related to the finalization and settlement of the U.S. Federal income tax audit of the years 2006 through 2016, partially offset by \$13.6 of tax expense related to the estimated costs associated with our change in our APB 23 assertion for certain foreign

<sup>(2)</sup> Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on slide 24.

<sup>(3)</sup> Consists of non-operating expenses including interest expense, net and other expense, net.

<sup>(4)</sup> Earnings per share may not add due to rounding.

See full non-GAAP reconciliation of adjusted diluted earnings per share on page 23.

(\$ in Millions, except per share amounts)

# Cash Flow

|                                                                   |                                                  | Twelve Months Ended December 31, |                 |
|-------------------------------------------------------------------|--------------------------------------------------|----------------------------------|-----------------|
|                                                                   |                                                  | 2020                             | 2019            |
| <b>Net Income</b>                                                 |                                                  | <b>\$ 354.2</b>                  | <b>\$ 673.9</b> |
| <b>OPERATING ACTIVITIES:</b>                                      |                                                  |                                  |                 |
|                                                                   | Depreciation & amortization                      | 369.0                            | 368.0           |
|                                                                   | Non-cash restructuring charges <sup>(1)</sup>    | 265.6                            | 11.7            |
|                                                                   | Other non-cash items                             | 79.5                             | 16.9            |
|                                                                   | Net losses on sales of businesses                | 67.0                             | 43.4            |
|                                                                   | Deferred taxes                                   | (46.4)                           | 9.7             |
|                                                                   | Change in working capital, net                   | 900.1                            | 442.8           |
|                                                                   | Change in other non-current assets & liabilities | (141.8)                          | (37.2)          |
|                                                                   | <b>Net cash provided by Operating Activities</b> | <b>1,847.2</b>                   | <b>1,529.2</b>  |
| <b>INVESTING ACTIVITIES:</b>                                      |                                                  |                                  |                 |
|                                                                   | Capital expenditures                             | (167.5)                          | (198.5)         |
|                                                                   | Acquisitions, net of cash acquired               | (4.9)                            | (0.6)           |
|                                                                   | Other investing activities                       | (43.8)                           | 37.4            |
|                                                                   | <b>Net cash used in Investing Activities</b>     | <b>(216.2)</b>                   | <b>(161.7)</b>  |
| <b>FINANCING ACTIVITIES:</b>                                      |                                                  |                                  |                 |
|                                                                   | Repayment of long-term debt                      | (503.7)                          | (403.3)         |
|                                                                   | Common stock dividends                           | (398.1)                          | (363.1)         |
|                                                                   | Acquisition-related payments                     | (46.6)                           | (15.8)          |
|                                                                   | Tax payments for employee shares withheld        | (22.3)                           | (22.4)          |
|                                                                   | Distributions to noncontrolling interests        | (19.5)                           | (21.6)          |
|                                                                   | Proceeds from long-term debt                     | 646.2                            | —               |
|                                                                   | Exercise of stock options                        | 6.5                              | 4.3             |
|                                                                   | Net increase (decrease) in short-term borrowings | 1.5                              | (19.8)          |
|                                                                   | Other financing activities                       | (10.2)                           | (1.3)           |
|                                                                   | <b>Net cash used in Financing Activities</b>     | <b>(346.2)</b>                   | <b>(843.0)</b>  |
|                                                                   | Currency effect                                  | 31.0                             | (6.0)           |
| <b>Net increase in cash, cash equivalents and restricted cash</b> |                                                  | <b>\$ 1,315.8</b>                | <b>\$ 518.5</b> |

<sup>(1)</sup> Includes \$209.9 related to change in operating lease right-of-use assets and liabilities resulting from 2020 restructuring actions.

(\$ in Millions)

## Balance Sheet — Current Portion

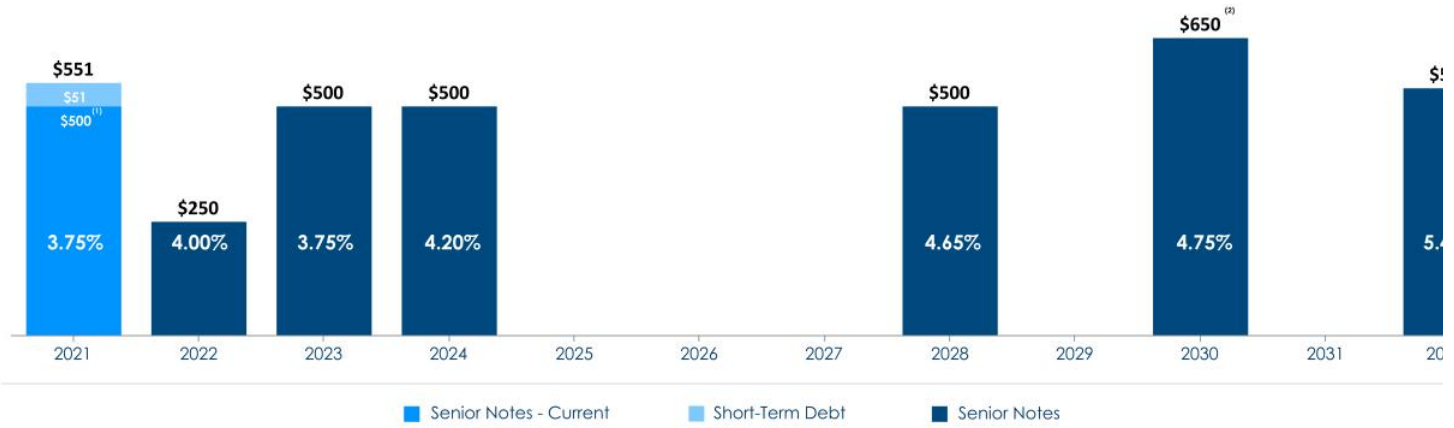
|                             |                                          | December 31, 2020 |                | December 31, 2019 |
|-----------------------------|------------------------------------------|-------------------|----------------|-------------------|
| <b>CURRENT ASSETS:</b>      | Cash and cash equivalents                | \$                | 2,509.0        | \$ 1,192.2        |
|                             | Accounts receivable, net                 |                   | 4,646.4        | 5,209.2           |
|                             | Accounts receivable, billable to clients |                   | 1,820.7        | 1,934.1           |
|                             | Assets held for sale                     |                   | 0.8            | 22.8              |
|                             | Other current assets                     |                   | 390.7          | 412.4             |
|                             | <b>Total current assets</b>              | <b>\$</b>         | <b>9,367.6</b> | <b>\$ 8,770.7</b> |
| <b>CURRENT LIABILITIES:</b> | Accounts payable                         | \$                | 7,269.7        | \$ 7,205.4        |
|                             | Accrued liabilities                      |                   | 832.4          | 742.8             |
|                             | Contract liabilities                     |                   | 657.8          | 585.6             |
|                             | Short-term borrowings                    |                   | 48.0           | 52.4              |
|                             | Current portion of long-term debt        |                   | 502.5          | 502.0             |
|                             | Current portion of operating leases      |                   | 268.5          | 267.2             |
|                             | Liabilities held for sale                |                   | 1.6            | 65.0              |
|                             | <b>Total current liabilities</b>         | <b>\$</b>         | <b>9,580.5</b> | <b>\$ 9,420.4</b> |

(\$ in Millions)

Interpublic Group of Companies, Inc. 11

# Debt Maturity Schedule

Total Debt = \$3.5 billion



<sup>(1)</sup> Senior Notes due on October 1, 2021.  
<sup>(2)</sup> On March 30, 2020, we issued a total of \$650 in aggregate principal amount of unsecured senior notes due March 30, 2030. Senior Notes shown at face value on December 31, 2020.  
 (\$ in Millions)

## Summary

- Intense focus on navigating the impact of COVID-19 and well-positioned to participate in the global economic recovery
- Foundation for sustained growth
  - Quality of our agency offerings
  - Exceptional talent
  - “Open architecture” solutions
  - Data management at scale
  - Strong creative and innovative marketing & media solutions
  - Integrated digital and digital specialists
- Effective expense management is an ongoing priority
- Financial strength a continued source of value creation



# Appendix

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# Operating Performance

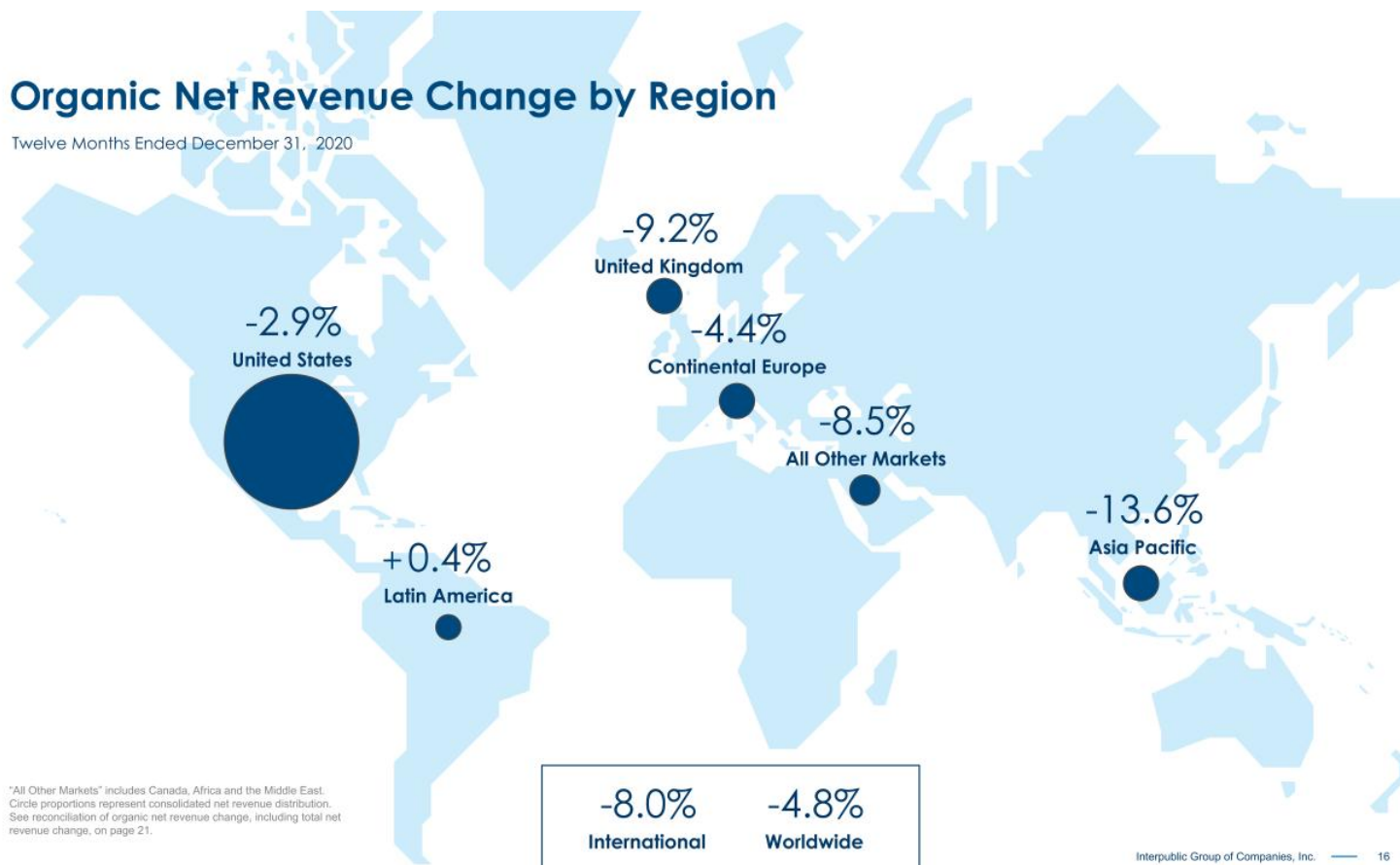
|                                                                   | Twelve Months Ended December 31, |                 |
|-------------------------------------------------------------------|----------------------------------|-----------------|
|                                                                   | 2020                             | 2019            |
| <b>Net Revenue</b>                                                | \$ 8,064.5                       | \$ 8,625.1      |
| Billable Expenses                                                 | 996.5                            | 1,596.2         |
| <b>Total Revenue</b>                                              | <b>9,061.0</b>                   | <b>10,221.3</b> |
| Salaries and Related Expenses                                     | 5,345.0                          | 5,568.8         |
| Office and Other Direct Expenses                                  | 1,367.9                          | 1,564.1         |
| Billable Expenses                                                 | 996.5                            | 1,596.2         |
| <b>Cost of Services</b>                                           | <b>7,709.4</b>                   | <b>8,729.1</b>  |
| Selling, General and Administrative Expenses                      | 58.8                             | 93.8            |
| Depreciation and Amortization                                     | 290.6                            | 278.5           |
| Restructuring Charges                                             | 413.8                            | 33.9            |
| <b>Total Operating Expense</b>                                    | <b>8,472.6</b>                   | <b>9,135.3</b>  |
| <b>Operating Income</b>                                           | <b>588.4</b>                     | <b>1,086.0</b>  |
| Interest Expense, net                                             | (162.7)                          | (164.8)         |
| Other Expense, net                                                | (64.4)                           | (42.9)          |
| <b>Income Before Income Taxes</b>                                 | <b>361.3</b>                     | <b>878.3</b>    |
| Provision for Income Taxes                                        | 8.0                              | 204.8           |
| Equity in Net Income of Unconsolidated Affiliates                 | 0.9                              | 0.4             |
| <b>Net Income</b>                                                 | <b>354.2</b>                     | <b>673.9</b>    |
| Net Income Attributable to Noncontrolling Interests               | (3.1)                            | (17.9)          |
| <b>Net Income Available to IPG Common Stockholders</b>            | <b>\$ 351.1</b>                  | <b>\$ 656.0</b> |
| Earnings per Share Available to IPG Common Stockholders - Basic   | \$ 0.90                          | \$ 1.70         |
| Earnings per Share Available to IPG Common Stockholders - Diluted | \$ 0.89                          | \$ 1.68         |
| Weighted-Average Number of Common Shares Outstanding - Basic      | 389.4                            | 386.1           |
| Weighted-Average Number of Common Shares Outstanding - Diluted    | 393.2                            | 391.2           |
| Dividends Declared per Common Share                               | \$ 1.020                         | \$ 0.940        |

(\$ in Millions, except per share amounts)

Interpublic Group of Companies, Inc. 15

# Organic Net Revenue Change by Region

Twelve Months Ended December 31, 2020



\*"All Other Markets" includes Canada, Africa and the Middle East.  
Circle proportions represent consolidated net revenue distribution.  
See reconciliation of organic net revenue change, including total net revenue change, on page 21.

# Operating Expenses % of Net Revenue <sup>(1)</sup>

Twelve Months Ended December 31



<sup>(1)</sup> Excludes billable expenses  
<sup>(2)</sup> Excludes amortization of acquired intangibles.

# Cash Flow

|                                                                   |                                                  | Three Months Ended December 31, |                 |
|-------------------------------------------------------------------|--------------------------------------------------|---------------------------------|-----------------|
|                                                                   |                                                  | 2020                            | 2019            |
| <b>Net Income</b>                                                 |                                                  | <b>\$ 117.0</b>                 | <b>\$ 342.2</b> |
| <b>OPERATING ACTIVITIES:</b>                                      |                                                  |                                 |                 |
|                                                                   | Non-cash restructuring charges <sup>(1)</sup>    | 169.9                           | —               |
|                                                                   | Depreciation & amortization                      | 87.1                            | 89.6            |
|                                                                   | Net losses on sales of businesses                | 15.2                            | 23.9            |
|                                                                   | Other non-cash items                             | 9.0                             | 10.8            |
|                                                                   | Deferred taxes                                   | (37.0)                          | 11.2            |
|                                                                   | Change in working capital, net                   | 1,159.8                         | 603.1           |
|                                                                   | Change in other non-current assets & liabilities | 1.1                             | 24.8            |
|                                                                   | <b>Net cash provided by Operating Activities</b> | <b>1,522.1</b>                  | <b>1,105.6</b>  |
| <b>INVESTING ACTIVITIES:</b>                                      |                                                  |                                 |                 |
|                                                                   | Capital expenditures                             | (55.5)                          | (64.7)          |
|                                                                   | Acquisitions, net of cash acquired               | (2.4)                           | —               |
|                                                                   | Other investing activities                       | (25.8)                          | 23.7            |
|                                                                   | <b>Net cash used in Investing Activities</b>     | <b>(83.7)</b>                   | <b>(41.0)</b>   |
| <b>FINANCING ACTIVITIES:</b>                                      |                                                  |                                 |                 |
|                                                                   | Repayment of long-term debt                      | (503.2)                         | (103.1)         |
|                                                                   | Common stock dividends                           | (99.5)                          | (90.9)          |
|                                                                   | Acquisition-related payments                     | (6.0)                           | (0.5)           |
|                                                                   | Distributions to noncontrolling interests        | (5.8)                           | (9.2)           |
|                                                                   | Net decrease in short-term borrowings            | (0.4)                           | (192.9)         |
|                                                                   | Tax payments for employee shares withheld        | (0.1)                           | (0.1)           |
|                                                                   | Exercise of stock options                        | 6.5                             | 0.1             |
|                                                                   | Other financing activities                       | —                               | (1.4)           |
|                                                                   | <b>Net cash used in Financing Activities</b>     | <b>(608.5)</b>                  | <b>(398.0)</b>  |
|                                                                   | Currency effect                                  | 51.3                            | 5.1             |
| <b>Net increase in cash, cash equivalents and restricted cash</b> |                                                  | <b>\$ 881.2</b>                 | <b>\$ 671.7</b> |

<sup>(1)</sup> Includes \$135.9 related to change in operating lease right-of-use assets and liabilities resulting from fourth quarter 2020 restructuring actions.

(\$ in Millions)

## Depreciation and Amortization

|                                                                  | 2020    |         |         |         | FY 2020  |
|------------------------------------------------------------------|---------|---------|---------|---------|----------|
|                                                                  | Q1      | Q2      | Q3      | Q4      |          |
| Depreciation and amortization <sup>(1)</sup>                     | \$ 51.5 | \$ 51.3 | \$ 49.7 | \$ 52.2 | \$ 204.7 |
| Amortization of acquired intangibles                             | 21.3    | 21.8    | 21.3    | 21.5    | 85.9     |
| Amortization of restricted stock and other non-cash compensation | 23.2    | 12.6    | 20.6    | 10.6    | 67.0     |
| Net amortization of bond discounts and deferred financing costs  | 2.3     | 3.0     | 3.3     | 2.8     | 11.4     |

|                                                                  | 2019    |         |         |         | FY 2019  |
|------------------------------------------------------------------|---------|---------|---------|---------|----------|
|                                                                  | Q1      | Q2      | Q3      | Q4      |          |
| Depreciation and amortization <sup>(1)</sup>                     | \$ 49.5 | \$ 51.7 | \$ 47.3 | \$ 44.0 | \$ 192.5 |
| Amortization of acquired intangibles                             | 21.6    | 21.3    | 21.7    | 21.4    | 86.0     |
| Amortization of restricted stock and other non-cash compensation | 28.2    | 15.9    | 14.2    | 21.9    | 80.2     |
| Net amortization of bond discounts and deferred financing costs  | 2.3     | 2.3     | 2.4     | 2.3     | 9.3      |

<sup>(1)</sup> Excludes amortization of acquired intangibles.

(\$ in Millions)

## Reconciliation of Organic Net Revenue

|                    |                      | Three Months Ended December 31, 2019 | Components of Change |                                   |                   | Three Months Ended December 31, 2020 | Change         |                |
|--------------------|----------------------|--------------------------------------|----------------------|-----------------------------------|-------------------|--------------------------------------|----------------|----------------|
|                    |                      |                                      | Foreign Currency     | Net Acquisitions / (Divestitures) | Organic           |                                      | Organic        | Total          |
| <b>SEGMENT:</b>    | IAN <sup>(1)</sup>   | \$ 2,082.4                           | \$ 0.0               | \$ (18.1)                         | \$ (78.6)         | \$ 1,985.7                           | (3.8%)         | (4.6%)         |
|                    | DXTRA <sup>(1)</sup> | 350.6                                | 3.2                  | (2.2)                             | (52.9)            | 298.7                                | (15.1%)        | (14.8%)        |
|                    | <b>Total</b>         | <b>\$ 2,433.0</b>                    | <b>\$ 3.2</b>        | <b>\$ (20.3)</b>                  | <b>\$ (131.5)</b> | <b>\$ 2,284.4</b>                    | <b>(5.4%)</b>  | <b>(6.1%)</b>  |
| <b>GEOGRAPHIC:</b> | <b>United States</b> | <b>\$ 1,421.3</b>                    | <b>\$ —</b>          | <b>\$ (5.2)</b>                   | <b>\$ (25.3)</b>  | <b>\$ 1,390.8</b>                    | <b>(1.8%)</b>  | <b>(2.1%)</b>  |
|                    | <b>International</b> | <b>1,011.7</b>                       | <b>3.2</b>           | <b>(15.1)</b>                     | <b>(106.2)</b>    | <b>893.6</b>                         | <b>(10.5%)</b> | <b>(11.7%)</b> |
|                    | United Kingdom       | 204.2                                | 4.4                  | 0.6                               | (19.8)            | 189.4                                | (9.7%)         | (7.2%)         |
|                    | Continental Europe   | 246.6                                | 10.5                 | (9.2)                             | (18.0)            | 229.9                                | (7.3%)         | (6.8%)         |
|                    | Asia Pacific         | 270.2                                | 4.4                  | (4.4)                             | (47.1)            | 223.1                                | (17.4%)        | (17.4%)        |
|                    | Latin America        | 119.7                                | (17.2)               | (1.9)                             | 2.7               | 103.3                                | 2.3%           | (13.7%)        |
|                    | All Other Markets    | 171.0                                | 1.1                  | (0.2)                             | (24.0)            | 147.9                                | (14.0%)        | (13.5%)        |
|                    | <b>Worldwide</b>     | <b>\$ 2,433.0</b>                    | <b>\$ 3.2</b>        | <b>\$ (20.3)</b>                  | <b>\$ (131.5)</b> | <b>\$ 2,284.4</b>                    | <b>(5.4%)</b>  | <b>(6.1%)</b>  |

<sup>(1)</sup> Results for the three months ended December 31, 2019 have been recast to conform to the current-period presentation.

(\$ in Millions)

Interpublic Group of Companies, Inc. 20

## Reconciliation of Organic Net Revenue

|                    |                      | Twelve Months Ended December 31, 2019 | Components of Change |                                   |                   | Twelve Months Ended December 31, 2020 | Change        |                |
|--------------------|----------------------|---------------------------------------|----------------------|-----------------------------------|-------------------|---------------------------------------|---------------|----------------|
|                    |                      |                                       | Foreign Currency     | Net Acquisitions / (Divestitures) | Organic           |                                       | Organic       | Total          |
| <b>SEGMENT:</b>    | IAN <sup>(1)</sup>   | \$ 7,328.8                            | \$ (66.9)            | \$ (73.3)                         | \$ (267.2)        | \$ 6,921.4                            | (3.6%)        | (5.6%)         |
|                    | DXTRA <sup>(1)</sup> | 1,296.3                               | (1.6)                | (5.8)                             | (145.8)           | 1,143.1                               | (11.2%)       | (11.8%)        |
|                    | <b>Total</b>         | <b>\$ 8,625.1</b>                     | <b>\$ (68.5)</b>     | <b>\$ (79.1)</b>                  | <b>\$ (413.0)</b> | <b>\$ 8,064.5</b>                     | <b>(4.8%)</b> | <b>(6.5%)</b>  |
| <b>GEOGRAPHIC:</b> | <b>United States</b> | <b>\$ 5,386.1</b>                     | <b>\$ —</b>          | <b>\$ (20.9)</b>                  | <b>\$ (153.8)</b> | <b>\$ 5,211.4</b>                     | <b>(2.9%)</b> | <b>(3.2%)</b>  |
|                    | <b>International</b> | <b>3,239.0</b>                        | <b>(68.5)</b>        | <b>(58.2)</b>                     | <b>(259.2)</b>    | <b>2,853.1</b>                        | <b>(8.0%)</b> | <b>(11.9%)</b> |
|                    | United Kingdom       | 727.0                                 | 2.4                  | 1.7                               | (66.8)            | 664.3                                 | (9.2%)        | (8.6%)         |
|                    | Continental Europe   | 742.4                                 | 5.9                  | (31.9)                            | (32.8)            | 683.6                                 | (4.4%)        | (7.9%)         |
|                    | Asia Pacific         | 858.3                                 | (7.9)                | (23.4)                            | (116.5)           | 710.5                                 | (13.6%)       | (17.2%)        |
|                    | Latin America        | 389.9                                 | (63.8)               | (4.1)                             | 1.4               | 323.4                                 | 0.4%          | (17.1%)        |
|                    | All Other Markets    | 521.4                                 | (5.1)                | (0.5)                             | (44.5)            | 471.3                                 | (8.5%)        | (9.6%)         |
|                    | <b>Worldwide</b>     | <b>\$ 8,625.1</b>                     | <b>\$ (68.5)</b>     | <b>\$ (79.1)</b>                  | <b>\$ (413.0)</b> | <b>\$ 8,064.5</b>                     | <b>(4.8%)</b> | <b>(6.5%)</b>  |

<sup>(1)</sup> Results for the twelve months ended December 31, 2019 have been recast to conform to the current-period presentation.

(\$ in Millions)

Interpublic Group of Companies, Inc. 21

# Reconciliation of Adjusted Results <sup>(1)</sup>

Three Months Ended December 31, 2020

|                                                                                        | As Reported     | Amortization of Acquired Intangibles | Restructuring Charges | Net Losses on Sales of Businesses | Adjusted Results (Non-GAAP) |
|----------------------------------------------------------------------------------------|-----------------|--------------------------------------|-----------------------|-----------------------------------|-----------------------------|
| <b>Operating Income and Adjusted EBITA before Restructuring Charges <sup>(2)</sup></b> | <b>\$ 223.4</b> | <b>\$ (21.5)</b>                     | <b>\$ (253.9)</b>     |                                   | <b>\$ 498.8</b>             |
| Total (Expenses) and Other Income <sup>(3)</sup>                                       | (49.8)          |                                      |                       | \$ (15.2)                         | (34.6)                      |
| <b>Income Before Income Taxes</b>                                                      | <b>173.6</b>    | <b>(21.5)</b>                        | <b>(253.9)</b>        | <b>(15.2)</b>                     | <b>464.2</b>                |
| Provision for Income Taxes                                                             | 58.1            | 4.2                                  | 56.9                  | 2.0                               | 121.2                       |
| Effective Tax Rate                                                                     | 33.5%           |                                      |                       |                                   | 26.1%                       |
| Equity in Net Income of Unconsolidated Affiliates                                      | 1.5             |                                      |                       |                                   | 1.5                         |
| Net Income Attributable to Noncontrolling Interests                                    | (4.7)           |                                      |                       |                                   | (4.7)                       |
| <b>Net Income Available to IPG Common Stockholders</b>                                 | <b>\$ 112.3</b> | <b>\$ (17.3)</b>                     | <b>\$ (197.0)</b>     | <b>\$ (13.2)</b>                  | <b>\$ 339.8</b>             |
| <b>Weighted-Average Number of Common Shares Outstanding - Basic</b>                    | <b>390.5</b>    |                                      |                       |                                   | <b>390.5</b>                |
| Dilutive effect of stock options and restricted shares                                 | 5.6             |                                      |                       |                                   | 5.6                         |
| <b>Weighted-Average Number of Common Shares Outstanding - Diluted</b>                  | <b>396.1</b>    |                                      |                       |                                   | <b>396.1</b>                |
| <b>Earnings per Share Available to IPG Common Stockholders <sup>(4)</sup>:</b>         |                 |                                      |                       |                                   |                             |
| Basic                                                                                  | \$ 0.29         | \$ (0.04)                            | \$ (0.50)             | \$ (0.03)                         | \$ 0.87                     |
| Diluted                                                                                | \$ 0.28         | \$ (0.04)                            | \$ (0.50)             | \$ (0.03)                         | \$ 0.86                     |

<sup>(1)</sup> The table reconciles our reported results to our adjusted non-GAAP results. Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.

<sup>(2)</sup> Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on slide 24.

<sup>(3)</sup> Consists of non-operating expenses including interest expense, net and other expense, net.

<sup>(4)</sup> Earnings per share may not add due to rounding.

(\$ in Millions, except per share amounts)



# Reconciliation of Adjusted Results <sup>(1)</sup>

Twelve Months Ended December 31, 2020

|                                                                                        | As Reported     | Amortization of Acquired Intangibles | Restructuring Charges | Net Losses on Sales of Businesses | Net Impact of Various Discrete Tax Items <sup>(2)</sup> |           |
|----------------------------------------------------------------------------------------|-----------------|--------------------------------------|-----------------------|-----------------------------------|---------------------------------------------------------|-----------|
| <b>Operating Income and Adjusted EBITA before Restructuring Charges <sup>(3)</sup></b> | <b>\$ 588.4</b> | <b>\$ (85.9)</b>                     | <b>\$ (413.8)</b>     |                                   |                                                         | <b>\$</b> |
| Total (Expenses) and Other Income <sup>(4)</sup>                                       | (227.1)         |                                      |                       | \$ (67.0)                         |                                                         |           |
| <b>Income Before Income Taxes</b>                                                      | <b>361.3</b>    | <b>(85.9)</b>                        | <b>(413.8)</b>        | <b>(67.0)</b>                     |                                                         |           |
| Provision for Income Taxes                                                             | 8.0             | 16.9                                 | 93.1                  | 5.0                               | \$ 122.6                                                |           |
| Effective Tax Rate                                                                     | 2.2%            |                                      |                       |                                   |                                                         |           |
| Equity in Net Income of Unconsolidated Affiliates                                      | 0.9             |                                      |                       |                                   |                                                         |           |
| Net Income Attributable to Noncontrolling Interests                                    | (3.1)           |                                      |                       |                                   |                                                         |           |
| <b>Net Income Available to IPG Common Stockholders</b>                                 | <b>\$ 351.1</b> | <b>\$ (69.0)</b>                     | <b>\$ (320.7)</b>     | <b>\$ (62.0)</b>                  | <b>\$ 122.6</b>                                         | <b>\$</b> |
| <b>Weighted-Average Number of Common Shares Outstanding - Basic</b>                    | <b>389.4</b>    |                                      |                       |                                   |                                                         |           |
| Dilutive effect of stock options and restricted shares                                 | 3.8             |                                      |                       |                                   |                                                         |           |
| <b>Weighted-Average Number of Common Shares Outstanding - Diluted</b>                  | <b>393.2</b>    |                                      |                       |                                   |                                                         |           |
| <b>Earnings per Share Available to IPG Common Stockholders <sup>(5)</sup>:</b>         |                 |                                      |                       |                                   |                                                         |           |
| Basic                                                                                  | \$ 0.90         | \$ (0.18)                            | \$ (0.82)             | \$ (0.16)                         | \$ 0.31                                                 | \$        |
| Diluted                                                                                | \$ 0.89         | \$ (0.18)                            | \$ (0.82)             | \$ (0.16)                         | \$ 0.31                                                 | \$        |

<sup>(1)</sup> The table reconciles our reported results to our adjusted non-GAAP results. Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational

<sup>(2)</sup> Includes a tax benefit of \$136.2 related to the finalization and settlement of the U.S. Federal income tax audit of the years 2006 through 2016, partially offset by \$13.6 of tax expense related to the estimated costs associated with our change in our APB 23 assertion for certain foreign t

<sup>(3)</sup> Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on slide 24.

<sup>(4)</sup> Consists of non-operating expenses including interest expense, net and other expense, net.

<sup>(5)</sup> Earnings per share may not add due to rounding.

(\$ in Millions, except per share amounts)

## Reconciliation of Adjusted EBITA <sup>(1)</sup>

|                                                                            | Three Months Ended December 31, |            | Twelve Months Ended December 31, |            |
|----------------------------------------------------------------------------|---------------------------------|------------|----------------------------------|------------|
|                                                                            | 2020                            | 2019       | 2020                             | 2019       |
| <b>Net Revenue</b>                                                         | \$ 2,284.4                      | \$ 2,433.0 | \$ 8,064.5                       | \$ 8,625.1 |
| <b>Non-GAAP Reconciliation:</b>                                            |                                 |            |                                  |            |
| <b>Net Income Available to IPG Common Stockholders</b>                     | \$ 112.3                        | \$ 328.9   | \$ 351.1                         | \$ 656.0   |
| <b>Add Back:</b>                                                           |                                 |            |                                  |            |
| Provision for Income Taxes                                                 | 58.1                            | 86.1       | 8.0                              | 204.8      |
| <b>Subtract:</b>                                                           |                                 |            |                                  |            |
| Total (Expenses) and Other Income                                          | (49.8)                          | (63.5)     | (227.1)                          | (207.7)    |
| Equity in Net Income of Unconsolidated Affiliates                          | 1.5                             | 0.5        | 0.9                              | 0.4        |
| Net Income Attributable to Noncontrolling Interests                        | (4.7)                           | (13.3)     | (3.1)                            | (17.9)     |
| <b>Operating Income</b>                                                    | \$ 223.4                        | \$ 491.3   | \$ 588.4                         | \$ 1,086.0 |
| <b>Add Back:</b>                                                           |                                 |            |                                  |            |
| Amortization of Acquired Intangibles                                       | 21.5                            | 21.4       | 85.9                             | 86.0       |
| <b>Adjusted EBITA</b>                                                      | \$ 244.9                        | \$ 512.7   | \$ 674.3                         | \$ 1,172.0 |
| <b>Adjusted EBITA Margin on Net Revenue %</b>                              | 10.7 %                          | 21.1 %     | 8.4 %                            | 13.6 %     |
| Restructuring Charges <sup>(2)</sup>                                       | \$ 253.9                        | N/A        | \$ 413.8                         | \$ 31.8    |
| <b>Adjusted EBITA before Restructuring Charges</b>                         | \$ 498.8                        | N/A        | \$ 1,088.1                       | \$ 1,203.8 |
| <b>Adjusted EBITA before Restructuring Charges Margin on Net Revenue %</b> | 21.8 %                          | N/A        | 13.5 %                           | 14.0 %     |

<sup>(1)</sup> The table reconciles our reported results to our adjusted non-GAAP results. Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.

<sup>(2)</sup> In the second, third and fourth quarters of 2020, the Company took restructuring actions to lower our operating expenses structurally and permanently relative to revenue and to accelerate the transformation of our business. The adjustment of \$31.8 for restructuring charges for the twelve months ended December 31, 2019 only includes restructuring charges during the first quarter of 2019, which relate to a cost initiative to better align our cost structure with our revenue due to client losses occurring in 2018.

(\$ in Millions)

Interpublic Group of Companies, Inc. 24

# Reconciliation of Adjusted Results <sup>(1)</sup>

Three Months Ended December 31, 2019

|                                                                                | As Reported     | Amortization of Acquired Intangibles | Net Losses on Sales of Businesses | Tax Valuation Allowance Reversals | Adjusted Results (Non-GAAP) |
|--------------------------------------------------------------------------------|-----------------|--------------------------------------|-----------------------------------|-----------------------------------|-----------------------------|
| <b>Operating Income and Adjusted EBITA <sup>(2)</sup></b>                      | <b>\$ 491.3</b> | <b>\$ (21.4)</b>                     |                                   |                                   | <b>\$ 512.7</b>             |
| Total (Expenses) and Other Income <sup>(3)</sup>                               | (63.5)          |                                      | \$ (24.0)                         |                                   | (39.5)                      |
| <b>Income Before Income Taxes</b>                                              | <b>427.8</b>    | <b>(21.4)</b>                        | <b>(24.0)</b>                     |                                   | <b>473.2</b>                |
| Provision for Income Taxes                                                     | 86.1            | 4.2                                  | 0.4                               | \$ 25.3                           | 116.0                       |
| Effective Tax Rate                                                             | 20.1%           |                                      |                                   |                                   | 24.5%                       |
| Equity in Net Income of Unconsolidated Affiliates                              | 0.5             |                                      |                                   |                                   | 0.5                         |
| Net Income Attributable to Noncontrolling Interests                            | (13.3)          |                                      |                                   |                                   | (13.3)                      |
| <b>Net Income Available to IPG Common Stockholders</b>                         | <b>\$ 328.9</b> | <b>\$ (17.2)</b>                     | <b>\$ (23.6)</b>                  | <b>\$ 25.3</b>                    | <b>\$ 344.4</b>             |
| <b>Weighted-Average Number of Common Shares Outstanding - Basic</b>            | <b>386.9</b>    |                                      |                                   |                                   | <b>386.9</b>                |
| Dilutive effect of stock options and restricted shares                         | 6.4             |                                      |                                   |                                   | 6.4                         |
| <b>Weighted-Average Number of Common Shares Outstanding - Diluted</b>          | <b>393.3</b>    |                                      |                                   |                                   | <b>393.3</b>                |
| <b>Earnings per Share Available to IPG Common Stockholders <sup>(4)</sup>:</b> |                 |                                      |                                   |                                   |                             |
| Basic                                                                          | \$ 0.85         | \$ (0.04)                            | \$ (0.06)                         | \$ 0.07                           | \$ 0.89                     |
| Diluted                                                                        | \$ 0.84         | \$ (0.04)                            | \$ (0.06)                         | \$ 0.06                           | \$ 0.88                     |

<sup>(1)</sup> The table reconciles our reported results to our adjusted non-GAAP results. Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.

<sup>(2)</sup> Refer to non-GAAP reconciliation of Adjusted EBITA on slide 24.

<sup>(3)</sup> Consists of non-operating expenses including interest expense, net and other expense, net.

<sup>(4)</sup> Earnings per share may not add due to rounding.

(\$ in Millions, except per share amounts)

Interpublic Group of Companies, Inc. 25

# Reconciliation of Adjusted Results <sup>(1)</sup>

Twelve Months Ended December 31, 2019

|                                                                                        | As Reported       | Amortization of Acquired Intangibles | Q1 2019 Restructuring Charges | Net Losses on Sales of Businesses | Net Impact of Various Discrete Tax Items <sup>(2)</sup> | Adj Re: (Non- |
|----------------------------------------------------------------------------------------|-------------------|--------------------------------------|-------------------------------|-----------------------------------|---------------------------------------------------------|---------------|
| <b>Operating Income and Adjusted EBITA before Restructuring Charges <sup>(3)</sup></b> | <b>\$ 1,086.0</b> | <b>\$ (86.0)</b>                     | <b>\$ (31.8)</b>              |                                   |                                                         | <b>\$</b>     |
| Total (Expenses) and Other Income <sup>(4)</sup>                                       | (207.7)           |                                      |                               | \$ (46.3)                         |                                                         |               |
| <b>Income Before Income Taxes</b>                                                      | <b>878.3</b>      | <b>(86.0)</b>                        | <b>(31.8)</b>                 | <b>(46.3)</b>                     |                                                         |               |
| Provision for Income Taxes                                                             | 204.8             | 16.9                                 | 7.6                           | 0.4                               | \$ 39.2                                                 |               |
| Effective Tax Rate                                                                     | 23.3%             |                                      |                               |                                   |                                                         |               |
| Equity in Net Income of Unconsolidated Affiliates                                      | 0.4               |                                      |                               |                                   |                                                         |               |
| Net Income Attributable to Noncontrolling Interests                                    | (17.9)            |                                      |                               |                                   |                                                         |               |
| <b>Net Income Available to IPG Common Stockholders</b>                                 | <b>\$ 656.0</b>   | <b>\$ (69.1)</b>                     | <b>\$ (24.2)</b>              | <b>\$ (45.9)</b>                  | <b>\$ 39.2</b>                                          | <b>\$</b>     |
| <b>Weighted-Average Number of Common Shares Outstanding - Basic</b>                    | <b>386.1</b>      |                                      |                               |                                   |                                                         |               |
| Dilutive effect of stock options and restricted shares                                 | 5.1               |                                      |                               |                                   |                                                         |               |
| <b>Weighted-Average Number of Common Shares Outstanding - Diluted</b>                  | <b>391.2</b>      |                                      |                               |                                   |                                                         |               |
| <b>Earnings per Share Available to IPG Common Stockholders <sup>(5)</sup>:</b>         |                   |                                      |                               |                                   |                                                         |               |
| Basic                                                                                  | \$ 1.70           | \$ (0.18)                            | \$ (0.06)                     | \$ (0.12)                         | \$ 0.10                                                 | \$            |
| Diluted                                                                                | \$ 1.68           | \$ (0.18)                            | \$ (0.06)                     | \$ (0.12)                         | \$ 0.10                                                 | \$            |

<sup>(1)</sup> The table reconciles our reported results to our adjusted non-GAAP results. Management believes the resulting comparisons provide useful supplemental data that, while not a substitute for GAAP measures, allow for greater transparency in the review of our financial and operational performance.

<sup>(2)</sup> Includes \$13.9 related to the settlement of certain tax positions in the second quarter of 2019 and \$25.3 related to tax valuation allowance reversals in the fourth quarter of 2019.

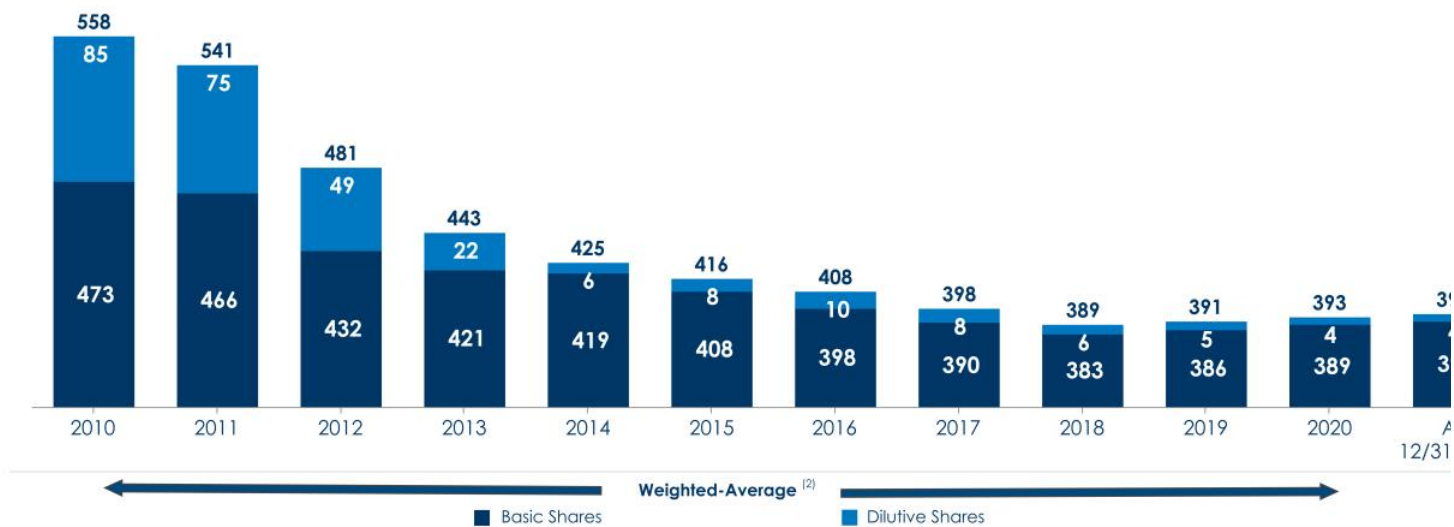
<sup>(3)</sup> Refer to non-GAAP reconciliation of Adjusted EBITA before Restructuring Charges on slide 24.

<sup>(4)</sup> Consists of non-operating expenses including interest expense, net and other expense, net.

<sup>(5)</sup> Earnings per share may not add due to rounding.

(\$ in Millions, except per share amounts)

## Total Shares: Basic and Eligible for Dilution<sup>(1)</sup>

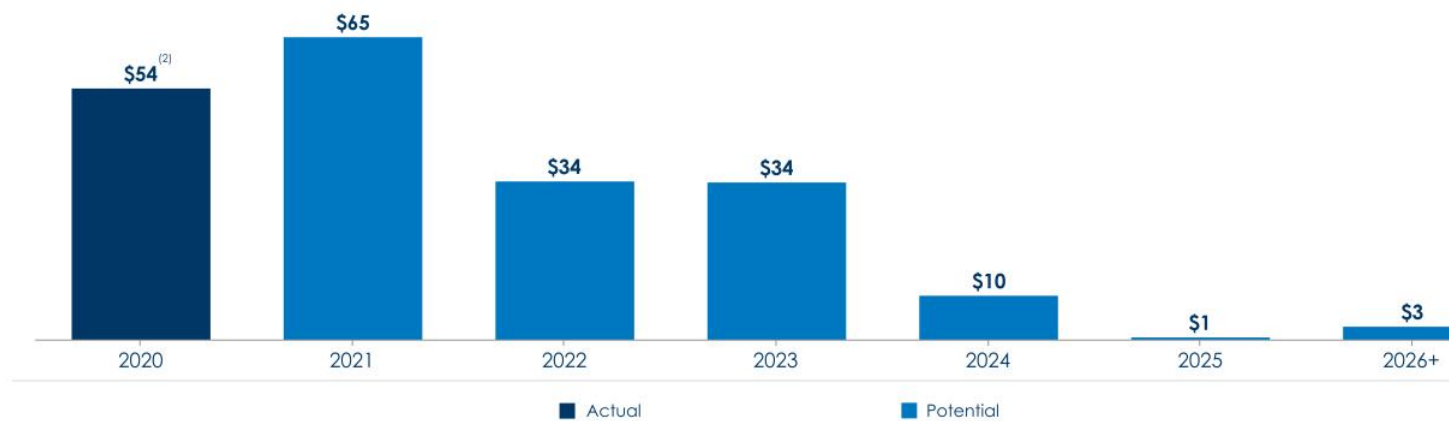


<sup>(1)</sup> Includes basic common shares outstanding, restricted shares, in-the-money stock options and convertible debt and preferred stock eligible for dilution.

<sup>(2)</sup> Equals weighted-average shares outstanding as defined above for the twelve months ending December 31st for the periods presented.

(Amounts in Millions)

# Acquisition Payments<sup>(1)</sup>



<sup>(1)</sup> Amounts represent payments related to our previous acquisitions based on current estimates of financial performance and are subject to change. Amounts include deferred payments, payments we may be required to make in connection with our redeemable noncontrolling interests and call options with affiliates. With respect to redeemable noncontrolling interests and call options with affiliates, the estimated payment amounts are shown as an obligation in the earliest year in which they are exercisable and payable, though some are eligible for exercise in multiple years and can also be paid over multiple years.

<sup>(2)</sup> 2020 payments included \$3.0 recorded within Operating Activities in our Statement of Cash Flows.

(\$ in Millions)



# Metrics Update

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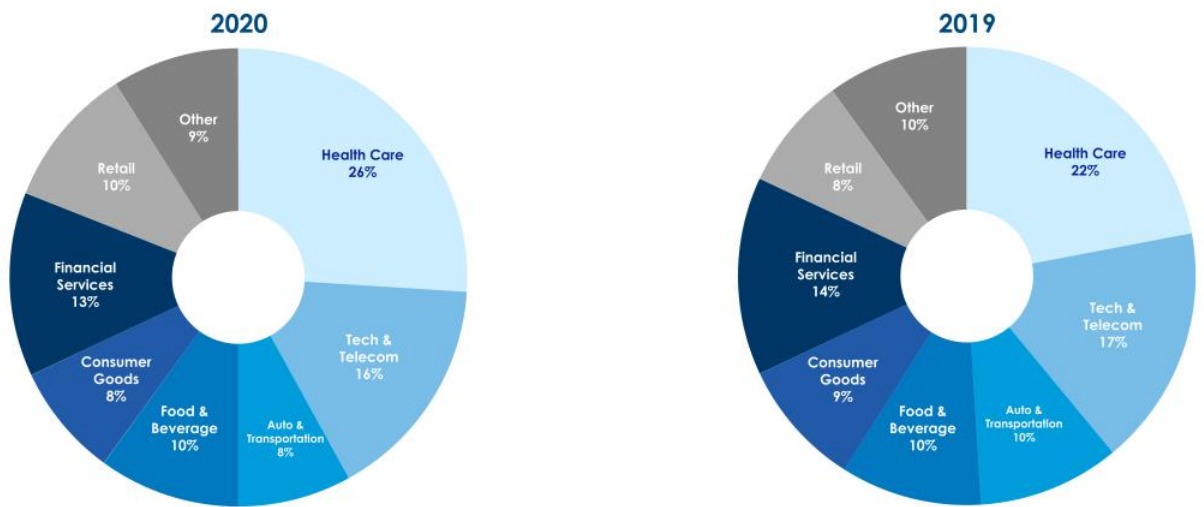
# Metrics Update

| CATEGORY: | NET REVENUE      | SALARIES & RELATED<br>(% of net revenue) | OFFICE & OTHER DIRECT<br>(% of net revenue)   | REAL ESTATE       | FINANCIAL        |
|-----------|------------------|------------------------------------------|-----------------------------------------------|-------------------|------------------|
| METRIC:   | By Client Sector | Twelve Months Ended                      | Twelve Months Ended                           | Total Square Feet | Available Liqu   |
|           |                  | Base, Benefits & Tax                     | Occupancy Expense                             |                   | Credit Facilitie |
|           |                  | Incentive Expense                        | All Other Office and<br>Other Direct Expenses |                   |                  |
|           |                  | Severance Expense                        |                                               |                   |                  |
|           |                  | Temporary Help                           |                                               |                   |                  |



# Net Revenue By Client Sector

Top 500 Clients for the Twelve Months Ended December 31

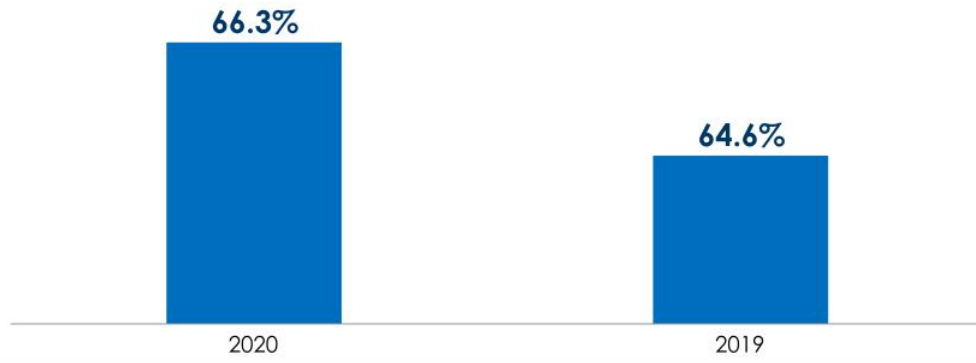


Approximately 85% of Consolidated Net Revenue

# Salaries & Related Expenses

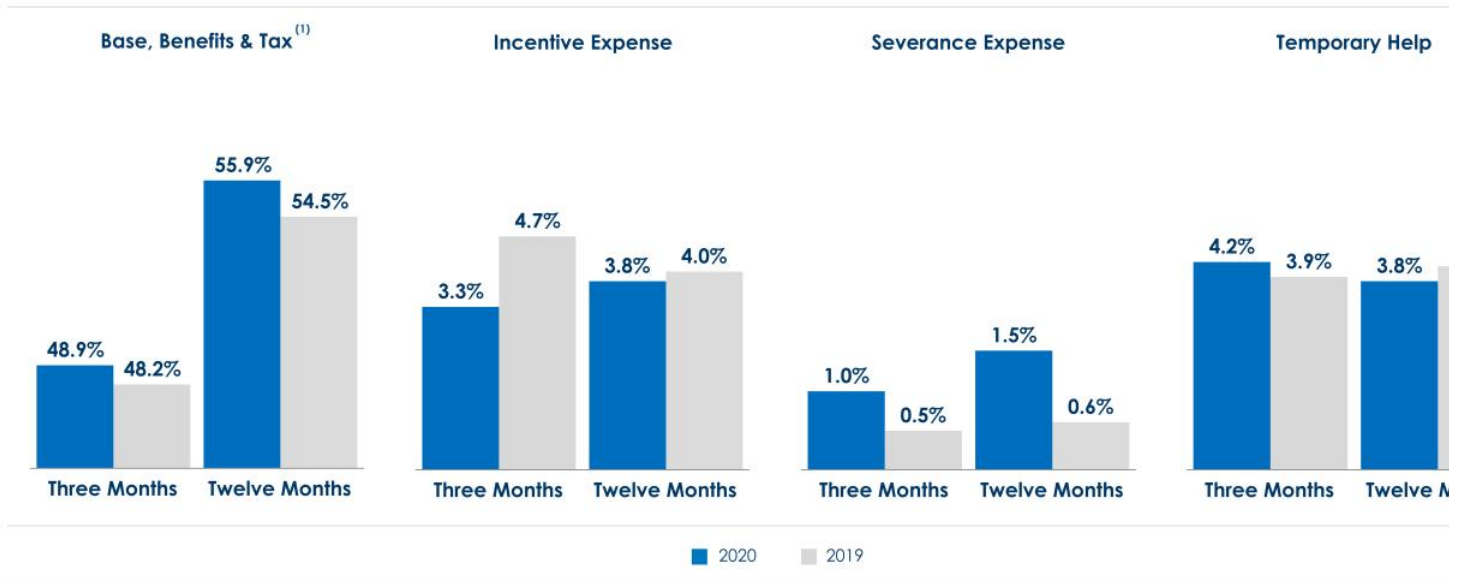
Twelve Months Ended December 31

% of Net Revenue



# Salaries & Related Expenses (% of Net Revenue)

Three and Twelve Months Ended December 31

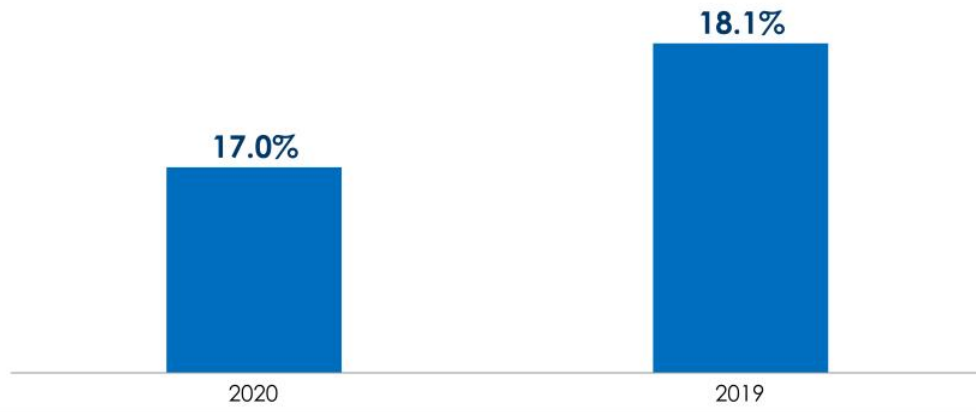


<sup>(1)</sup> Base, Benefits & Tax expense for the twelve months ended December 31, 2020 decreased compared to the same period in 2019. "All Other Salaries & Related," not shown, was 1.5% and 1.6% for the three months ended December 31, 2020 and 2019, respectively, and 1.3% and 1.4% for the twelve months ended December 31, 2020 and 2019, respectively. Certain information for the prior period has been recast to conform to the current-period presentation.

# Office & Other Direct Expenses

Twelve Months Ended December 31

% of Net Revenue

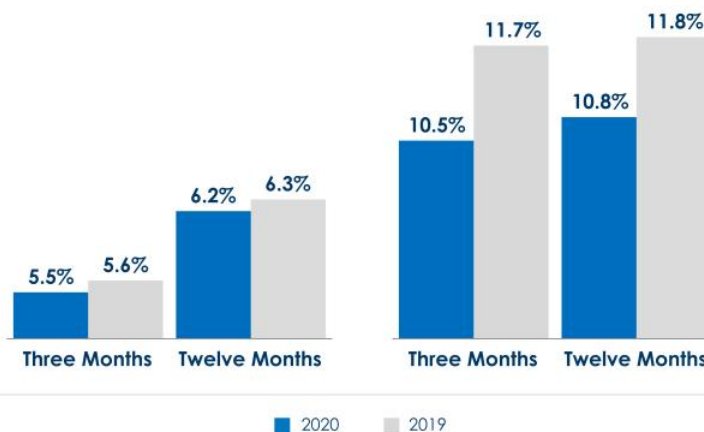


# Office & Other Direct Expenses (% of Net Revenue)

Three and Twelve Months Ended December 31

## Occupancy Expense

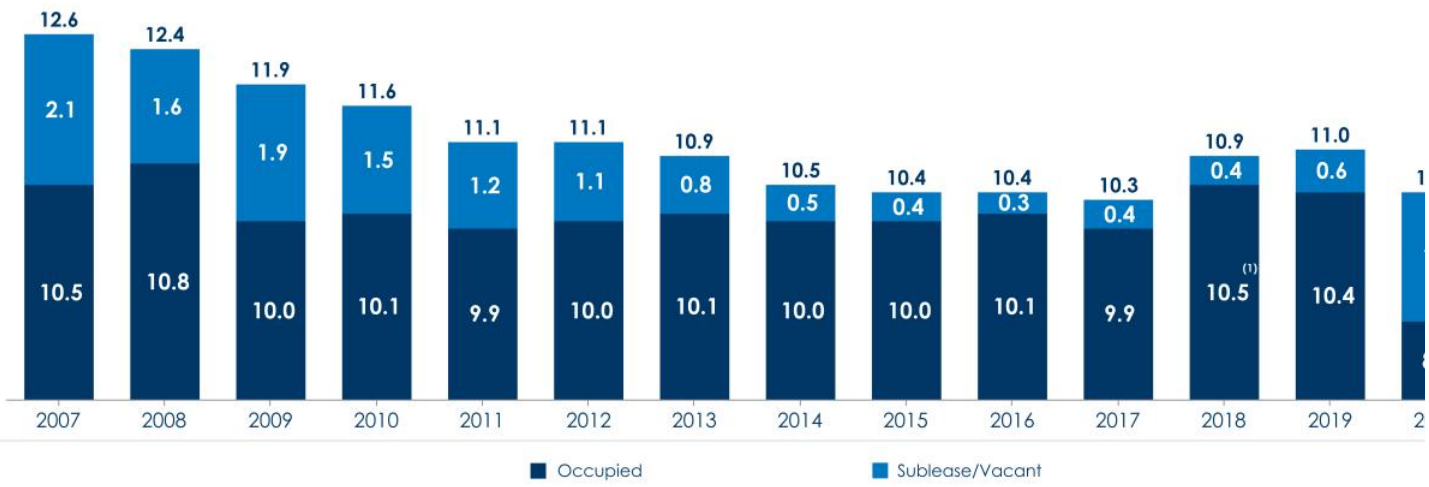
## All Other



\*All Other\* primarily includes client service costs, non-pass through production expenses, travel and entertainment, professional fees, spending to support new business activity, telecommunications, office supplies, bad debt expense, adjustments to contingent acquisition obligations, foreign currency losses (gains) and other expenses.

# Real Estate

Total Square Feet as of December 31.

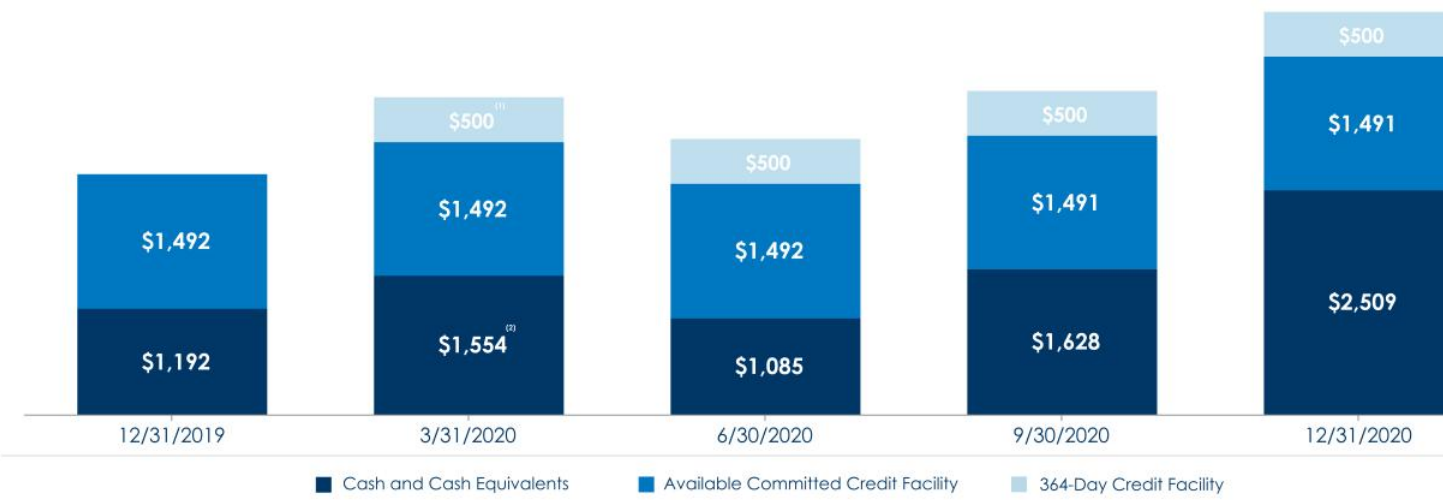


<sup>(1)</sup> Increase primarily due to the inclusion of Axiom real estate.  
<sup>(2)</sup> Decrease primarily due to real estate restructuring actions taken as part of the 2020 Restructuring Plan. See slide 7 for further details.

(\$ in Millions)

# Available Liquidity

Cash, Cash Equivalents + Available Committed Credit Facilities



<sup>(1)</sup> In March 2020, we entered into an agreement for a 364-day revolving credit facility.

<sup>(2)</sup> Includes net proceeds from our March 2020 debt issuance of \$650 aggregate principal amount of Senior Notes.

(\$ in Millions)

## Credit Facilities Covenant <sup>(1)</sup>

| Covenants                                            | Four Quarters Ended<br>December 31, 2020         |
|------------------------------------------------------|--------------------------------------------------|
| Leverage Ratio (not greater than) <sup>(2) (3)</sup> | 4.25x                                            |
| <b>Actual Leverage Ratio</b>                         | <b>2.86x</b>                                     |
| <br>                                                 |                                                  |
| <b>CREDIT AGREEMENT EBITDA RECONCILIATION:</b>       | <b>Four Quarters Ended<br/>December 31, 2020</b> |
| Net Income Available to IPG Common Stockholders      | \$ 351.1                                         |
| + Non-Operating Adjustments <sup>(4)</sup>           | 237.3                                            |
| Operating Income                                     | \$ 588.4                                         |
| + Depreciation and Amortization                      | 412.3                                            |
| + Other Non-cash Charges Reducing Operating Income   | 209.9                                            |
| <b>Credit Agreement EBITDA <sup>(2)</sup>:</b>       | <b>\$ 1,210.6</b>                                |

<sup>(1)</sup> The leverage ratio financial covenant applies to both our committed corporate credit facility, amended and restated as of November 1, 2019, (as further amended, the "Credit Agreement") and our 364-day credit facility entered into on March 27, 2020 and amended as of July 28, 2020 (as amended, the "364-Day Credit Facility").

<sup>(2)</sup> The leverage ratio is defined as debt as of the last day of such fiscal quarter to EBITDA (as defined in the Credit Agreement and the 364-Day Credit Facility) for the four quarters then ended.

<sup>(3)</sup> On July 28, 2020, we entered into Amendment No. 1 to the Credit Agreement and Amendment No. 1 to the 364-Day Credit Facility (together, the "Amendments"). The Amendments increased the maximum leverage ratio covenant to 4.25x in the case of the 364-Day Credit Facility and, in the case of the Credit Agreement, to (i) 4.25x through the quarter ended June 30, 2021, and (ii) 3.50x thereafter.

<sup>(4)</sup> Includes adjustments of the following items from our consolidated statement of operations: provision for income taxes, total (expenses) and other income, equity in net loss of unconsolidated affiliates, and net loss attributable to noncontrolling interests.

(\$ in Millions)



## Cautionary Statement

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

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

- the effects of a challenging economy on the demand for our advertising and marketing services, on our clients' financial condition and on our business or financial condition;
- the impacts of the novel coronavirus (COVID-19) pandemic and, the measures to contain its spread, including social distancing efforts and restrictions on businesses, social activities and travel, any failure to realize anticipated benefits from the rollout of COVID-19 vaccination campaigns and the resulting impact on the economy, our clients and demand for our services, which may precipitate or exacerbate other risks and uncertainties;
- our ability to attract new clients and retain existing clients;
- our ability to retain and attract key employees;
- risks associated with assumptions we make in connection with our critical accounting estimates, including changes in assumptions associated with any effects of a weakened economy;
- potential adverse effects if we are required to recognize impairment charges or other adverse accounting-related developments;
- risks associated with the effects of global, national and regional economic and political conditions, including counterparty risks and fluctuations in economic growth rates, interest rates and currency exchange rates;
- developments from changes in the regulatory and legal environment for advertising and marketing and communications services companies around the world, including laws and regulations related to data protection and consumer privacy; and
- failure to fully realize the anticipated benefits of our 2020 restructuring actions and other cost-saving initiatives.

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

