



FOR IMMEDIATE RELEASE

Omnicom Group Reports Third Quarter and Year-To-Date 2014 Results

NEW YORK, OCTOBER 21, 2014 - Omnicom Group Inc. (NYSE-OMC) today announced that its worldwide revenue in the third quarter of 2014 increased 7.4% to \$3,749.6 million from \$3,490.5 million in the third quarter of 2013. Domestic revenue for the third quarter of 2014 increased 10.0% to \$1,996.3 million compared to \$1,815.5 million in the third quarter of 2013. International revenue increased 4.7% to \$1,753.3 million compared to \$1,675.0 million in the third quarter of 2013.

For the quarter ended September 30, 2014, organic growth increased revenue 6.5%, acquisitions, net of dispositions increased revenue 0.5% and the impact of foreign exchange rates increased revenue 0.4% when compared to the third quarter of 2013.

Across our regional markets, organic revenue in the third quarter of 2014 increased 8.9% in North America, 2.2% in Europe, 4.4% in Asia Pacific, 2.5% in Latin America and 18.1% in Africa/Middle East when compared to the same quarter of 2013.

The change in organic revenue in the third quarter of 2014 as compared to the third quarter of 2013 in our four fundamental disciplines was as follows: advertising increased 12.5%, CRM increased 1.0% and public relations increased 2.5% while specialty communications decreased 0.1%.

For the third quarter of 2014, Omnicom's earnings before interest, taxes and amortization of intangibles ("EBITA"), a non-GAAP financial measure, increased \$55.3 million, or 13.6%, to \$460.5 million from \$405.2 million in the third quarter of 2013. Our EBITA margin increased to 12.3% for the third quarter of 2014 compared to 11.6% for the third quarter of 2013.

Omnicom Group Inc.

Operating income in the third quarter of 2014 increased \$54.2 million, or 14.3%, to \$433.6 million from \$379.4 million in the third quarter of 2013 and operating margin in the third quarter of 2014 increased to 11.6% versus 10.9% in the third quarter of 2013.

Omnicom's net income for the third quarter of 2014 increased \$47.8 million, or 24.4%, to \$243.8 million from \$196.0 million in the third quarter of 2013. Diluted net income per common share in the third quarter was \$0.95 per share versus \$0.74 per share during the third quarter of 2013.

Third quarter 2013 results include \$28.1 million of pre-tax charges related to Omnicom's proposed merger with Publicis Groupe, S.A. ("Publicis"), which were primarily comprised of professional fees. On May 8, 2014, Omnicom and Publicis entered into a termination agreement under which Omnicom and Publicis mutually agreed to terminate their proposed merger.

Excluding the impact of these expenses, in the third quarter of 2013: EBITA was \$433.3 million, EBITA margin was 12.4%, operating income was \$407.5 million, operating margin was 11.7%, net income was \$217.7 million and diluted net income per common share was \$0.82 per share.

Year-to-date

Worldwide revenue for the nine months ended September 30, 2014 increased 5.7% to \$11,122.7 million from \$10,526.4 million in the same period in 2013. Domestic revenue for the nine months ended September 30, 2014 increased 7.3% to \$5,913.6 million from \$5,511.1 million in the same period in 2013. International revenue for the nine months ended September 30, 2014 increased 3.9% to \$5,209.1 million from \$5,015.3 million in the same period in 2013.

For the nine months ended September 30, 2014, organic growth increased revenue 5.6% when compared to the same period in 2013. Acquisitions, net of dispositions reduced revenue 0.1% and the impact of foreign exchange rates increased revenue 0.2%.

Omnicom Group Inc.

Across our regional markets for the first nine months ended September 30, 2014, organic revenue increased 7.2% in North America, 2.2% in Europe, 5.0% in Asia Pacific, 6.0% in Latin America and 8.6% in Africa/Middle East when compared to the same period in 2013.

The change in organic revenue for the first nine months of 2014 compared to the same period in 2013 in our four fundamental disciplines was as follows: advertising increased 9.3%, CRM increased 2.1%, public relations increased 2.6% and specialty communications increased 1.7%.

Year-to-date 2014 results include \$8.8 million of pre-tax charges in connection with the proposed merger with Publicis, which are primarily comprised of professional fees. In addition, the effective tax rate for the nine months ended September 30, 2014 reflects the recognition of an income tax benefit of \$11.4 million related to previously incurred expenses for the proposed merger with Publicis. On May 8, 2014, the proposed merger with Publicis was terminated. Prior to the termination of the merger, the majority of the merger costs were capitalized for income tax purposes and the related tax benefits were not recorded. Because the merger was terminated, the merger costs were no longer required to be capitalized for income tax purposes. The net impact of these items on net income available to common shareholders in the nine months ended September 30, 2014 was \$2.6 million and the impact on diluted earnings per common share was \$0.01 per common share.

Omnicom's EBITA for the nine months ended September 30, 2014 increased \$91.3 million, or 6.8%, to \$1,441.8 million from \$1,350.5 million in the same period in 2013. EBITA margins increased to 13.0% for the nine months of 2014 versus 12.8% during the same period of 2013.

Operating income for the nine months ended September 30, 2014 increased \$90.5 million, or 7.1%, to \$1,364.7 million compared to \$1,274.2 million in the same period in 2013. Our operating margin for the nine months of 2014 increased to 12.3% from 12.1% versus the nine months of 2013.

Net income for the nine months ended September 30, 2014 increased \$83.8 million, or 12.1%, to \$774.5 million from \$690.7 million in the same period in 2013.

Omnicom Group Inc.

Omnicom's diluted net income per common share for the nine months ended September 30, 2014 increased 37 cents, or 14.3%, to \$2.95 per share, compared to \$2.58 per share for the nine months of 2013.

Year-to-date 2013 results include \$28.1 million of pre-tax charges related to Omnicom's terminated merger with Publicis, which were primarily comprised of professional fees.

Excluding the impact of these expenses, for the first nine months of 2013: EBITA was \$1,378.6 million, EBITA margin was 13.1%, operating income was \$1,302.3 million, operating margin was 12.4%, net income was \$712.4 million and diluted net income per common share was \$2.66 per share.

Omnicom Group Inc. (NYSE-OMC) (www.omnicomgroup.com) is a leading global marketing and corporate communications company. Omnicom's branded networks and numerous specialty firms provide advertising, strategic media planning and buying, digital and interactive marketing, direct and promotional marketing, public relations and other specialty communications services to over 5,000 clients in more than 100 countries. Follow us on [Twitter](#) for the latest news.

For a live webcast and/or a replay of our third quarter earnings conference call, go to www.omnicomgroup.com/InvestorRelations.

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Omnicom Group Inc.
Consolidated Statements of Income
Three Months Ended September 30
(Unaudited)
(Dollars in Millions, Except Per Share Data)

	<u>2014</u>	<u>2013</u>
Revenue	\$ 3,749.6	\$ 3,490.5
Operating Expenses, excluding amortization of intangibles	<u>3,289.1</u>	<u>3,085.3</u>
EBITA ^{(a)(b)}	460.5	405.2
Less: Amortization of Intangibles	<u>26.9</u>	<u>25.8</u>
Operating Income ^(a)	433.6	379.4
Net Interest Expense	<u>31.4</u>	<u>42.8</u>
Income before income taxes ^(a)	402.2	336.6
Income tax expense ^(a)	134.4	116.2
Income from equity method investments	<u>5.8</u>	<u>4.3</u>
Net income	273.6	224.7
Less: Net income allocated to noncontrolling interests	<u>29.8</u>	<u>28.7</u>
Net income - Omnicom Group Inc.	243.8	196.0
Less: Net income allocated to participating securities	<u>4.3</u>	<u>4.8</u>
Net income available for common shares ^(a)	<u>\$ 239.5</u>	<u>\$ 191.2</u>
Net income per common share - Omnicom Group Inc.		
Basic	\$ 0.95	\$ 0.74
Diluted ^(a)	\$ 0.95	\$ 0.74
Weighted average shares (in millions)		
Basic	251.4	258.2
Diluted	252.4	259.9
Dividend declared per common share	\$ 0.50	\$ 0.40

(a) Third quarter 2013 amounts include \$28.1 million of pre-tax expenses incurred in connection with Omnicom's proposed merger with Publicis, which are primarily comprised of professional fees. In addition, income tax expense for the third quarter of 2013 includes the recognition of an income tax benefit of \$6.4 million. The net impact of these items on net income available to common shareholders was \$21.1 million. The impact on diluted earnings per common share was \$0.08 per common share during the period presented.

(b) EBITA (defined as Earnings before interest, taxes and amortization of intangibles) is a non-GAAP measure. We use EBITA as an additional operating performance measure, which excludes the non-cash amortization expense of acquired intangible assets. We believe that EBITA is a useful measure to evaluate the performance of our businesses. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with U.S. GAAP. Non-GAAP financial measures reported by us may not be comparable to similarly titled amounts reported by other companies.

Omnicom Group Inc.
Consolidated Statements of Income
Nine Months Ended September 30
(Unaudited)
(Dollars in Millions, Except Per Share Data)

	<u>2014</u>	<u>2013</u>
Revenue	\$ 11,122.7	\$ 10,526.4
Operating Expenses, excluding amortization of intangibles	9,680.9	9,175.9
EBITA ^{(a) (b) (c)}	1,441.8	1,350.5
Less: Amortization of Intangibles	77.1	76.3
Operating Income ^{(a) (b)}	1,364.7	1,274.2
Net Interest Expense	104.1	124.6
Income before income taxes ^{(a) (b)}	1,260.6	1,149.6
Income tax expense ^{(a) (b)}	410.9	388.9
Income from equity method investments	10.4	10.5
Net income	860.1	771.2
Less: Net income allocated to noncontrolling interests	85.6	80.5
Net income - Omnicom Group Inc.	774.5	690.7
Less: Net income allocated to participating securities	14.7	18.1
Net income available for common shares ^{(a) (b)}	<u>\$ 759.8</u>	<u>\$ 672.6</u>
Net income per common share - Omnicom Group Inc.		
Basic	\$ 2.97	\$ 2.60
Diluted ^{(a) (b)}	\$ 2.95	\$ 2.58
Weighted average shares (in millions)		
Basic	255.6	259.0
Diluted	257.3	260.4
Dividend declared per common share	\$ 1.40	\$ 1.20

- (a) Year-to-date 2014 amounts include \$8.8 million of pre-tax expenses incurred in connection with Omnicom's proposed merger with Publicis, which are primarily comprised of professional fees. In addition, year-to-date income tax expense for 2014 includes the recognition of an income tax benefit of \$11.4 million related to previously incurred expenses for the proposed merger with Publicis. On May 8, 2014, the proposed merger with Publicis was terminated. Prior to the termination of the merger, the majority of the merger costs were capitalized for income tax purposes and the related tax benefits were not recorded. Because the merger was terminated, for income tax purposes, the merger costs were no longer required to be capitalized and as a result, we recorded a tax benefit related to the expenses that were previously incurred. The net impact of these items on net income available to common shareholders was \$2.6 million. The impact on diluted earnings per common share was \$0.01 per common share during the period presented.
- (b) Year-to-date 2013 amounts include \$28.1 million of pre-tax expenses incurred in connection with Omnicom's proposed merger with Publicis, which are primarily comprised of professional fees. In addition, year-to-date income tax expense for 2013 includes the recognition of an income tax benefit of \$6.4 million. The net impact of these items on net income available to common shareholders was \$21.1 million. The impact on diluted earnings per common share was \$0.08 per common share during the period presented.
- (c) EBITA (defined as Earnings before interest, taxes and amortization of intangibles) is a non-GAAP measure. We use EBITA as an additional operating performance measure, which excludes the non-cash amortization expense of acquired intangible assets. We believe that EBITA is a useful measure to evaluate the performance of our businesses. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with U.S. GAAP. Non-GAAP financial measures reported by us may not be comparable to similarly titled amounts reported by other companies.