



Omnicom Group

SECOND QUARTER 2006 RESULTS Investor Presentation

July 25, 2006

OmnicomGroup



The following materials have been prepared for use in the July 25, 2006 conference call on Omnicom's results of operations for the quarter ended June 30, 2006. The call will be archived on the Internet at <http://www.omnicomgroup.com/financialwebcasts>.

Forward-Looking Statements

Certain of the statements in this document constitute forward-looking statements within the meaning of the Private Securities Litigation Act of 1995. These statements relate to future events or future financial performance and involve known and unknown risks and other factors that may cause our actual or our industry's results, levels of activity or achievement to be materially different from those expressed or implied by any forward-looking statements. These risks and uncertainties include, but are not limited to, our future financial condition and results of operations, changes in general economic conditions, competitive factors, changes in client communication requirements, the hiring and retention of human resources and our international operations, which are subject to the risks of currency fluctuations and exchange controls. In some cases, forward-looking statements can be identified by terminology such as "may," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "believe," "estimate," "predict," "potential" or "continue" or the negative of those terms or other comparable terminology. These statements are present expectations. Actual events or results may differ materially. We undertake no obligation to update or revise any forward-looking statement.

Other Information

All dollar amounts are in millions except for EPS. The following financial information contained in this document has not been audited, although some of it has been derived from Omnicom's historical financial statements, including its audited financial statements. In addition, industry, operational and other non-financial data contained in this document have been derived from sources we believe to be reliable, but we have not independently verified such information, and we do not, nor does any other person, assume responsibility for the accuracy or completeness of that information.

The inclusion of information in this presentation does not mean that such information is material or that disclosure of such information is required.



2006 vs. 2005 P&L Summary

	Second Quarter			Year to Date		
	2006	2005	%	2006	2005	%
Revenue	\$ 2,823.4	\$ 2,615.8	7.9%	\$ 5,386.3	\$ 5,018.8	7.3%
Operating Income	417.4	382.0	9.3%	701.9	639.3	9.8%
% Margin	14.8%	14.6%		13.0%	12.7%	
Net Interest Expense	25.5	14.3		40.7	26.4	
Profit Before Tax	391.9	367.7	6.6%	661.2	612.9	7.9%
% Margin	13.9%	14.1%		12.3%	12.2%	
Taxes	131.7	124.3		222.6	210.5	
% Tax Rate	33.6%	33.8%		33.7%	34.3%	
Profit After Tax	260.2	243.4	6.9%	438.6	402.4	9.0%
Equity in Affiliates	6.3	5.0		11.2	10.2	
Minority Interest	(22.4)	(22.6)		(40.1)	(36.3)	
Net Income	\$ 244.1	\$ 225.8	8.1%	\$ 409.7	\$ 376.3	8.9%



2006 vs. 2005 Earnings Per Share

	<u>Second Quarter</u>		<u>Year to Date</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Earnings per Share:				
Basic	\$ 1.43	\$ 1.24	\$ 2.36	\$ 2.07
Diluted	1.42	1.24	2.34	2.05
Growth Rate, Diluted	14.5 %		14.1 %	
Weighted Average Shares (millions):				
Basic	170.2	181.4	173.6	182.0
Diluted	172.0	182.8	175.2	183.5
Dividend Declared Per Share	\$0.250	\$0.225	\$0.500	\$0.450



2006 Total Revenue Growth

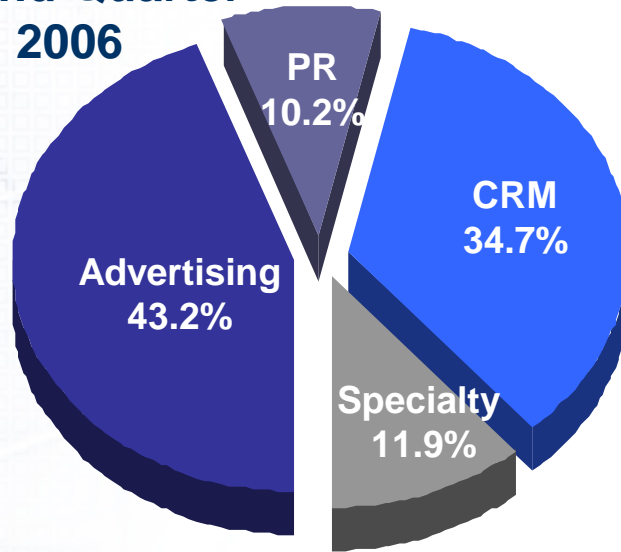
	Second Quarter		Year to Date	
	\$	%	\$	%
Prior Period Revenue	\$ 2,615.8		\$ 5,018.8	
Foreign Exchange (FX) Impact (a)	3.8	0.1%	(61.4)	-1.2%
Acquisition Revenue (b)	16.5	0.6%	33.8	0.7%
Organic Revenue (c)	187.3	7.2%	395.1	7.9%
Current Period Revenue	<u>\$ 2,823.4</u>	<u>7.9%</u>	<u>\$ 5,386.3</u>	<u>7.3%</u>

- (a) To calculate the FX impact, we first convert the current period's local currency revenue using the average exchange rates from the equivalent prior period to arrive at constant currency revenue. The FX impact equals the difference between the current period revenue in U.S. dollars and the current period revenue in constant currency.
- (b) Acquisition revenue is the aggregate of the applicable prior period revenue of the acquired businesses. Netted against this number is the revenue of any business included in the prior period reported revenue that was disposed of subsequent to the prior period.
- (c) Organic revenue is calculated by subtracting both the acquisition revenue and the FX impact from total revenue growth.



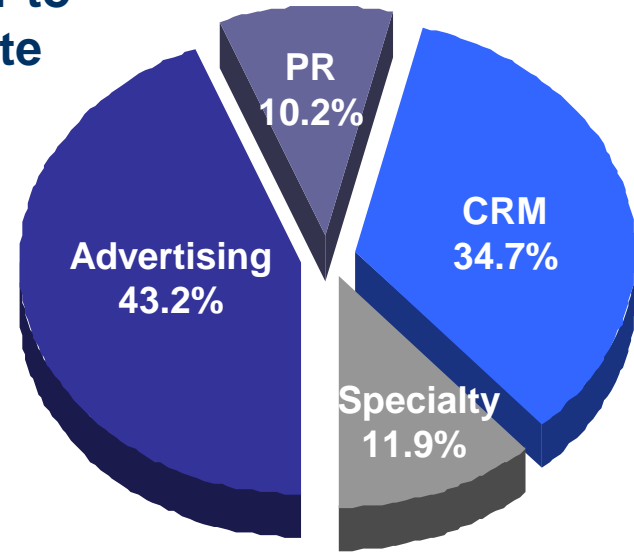
2006 Revenue By Discipline

**Second Quarter
2006**



	<u>\$ Mix</u>	<u>% Growth (a)</u>
Advertising	1,219.3	5.7%
CRM	978.6	9.6%
PR	288.6	8.9%
Specialty	336.9	10.8%

**Year to
Date**



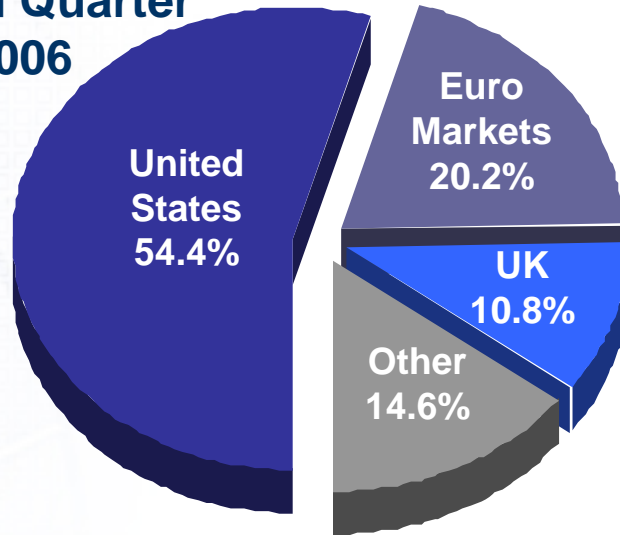
	<u>\$ Mix</u>	<u>% Growth (a)</u>
Advertising	2,324.3	5.5%
CRM	1,870.4	9.8%
PR	548.4	5.2%
Specialty	643.2	8.9%

(a) "Growth" is the year-over-year growth from the prior period.

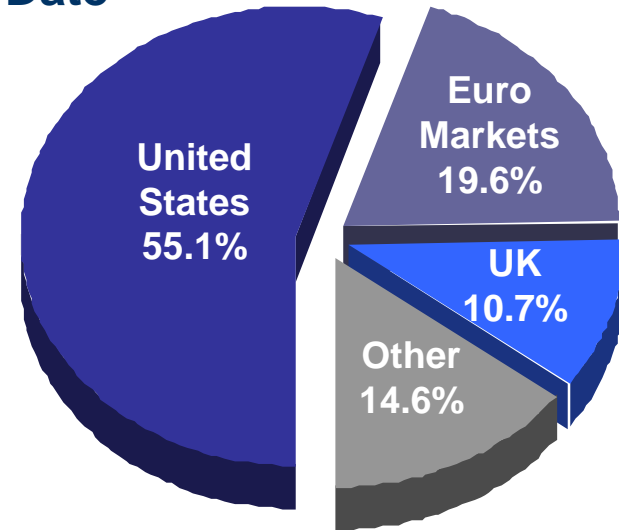


2006 Revenue By Geography

Second Quarter 2006



Year to Date



	<u>\$ Mix</u>	<u>\$ Growth^(a)</u>
United States	\$ 1,535.4	\$ 107.7
Organic		91.1
Acquisition		16.6
International	\$ 1,288.0	\$ 99.9
Organic		96.2
Acquisition		(0.1)
FX		3.8
	<u>\$ Mix</u>	<u>% Growth^(a)</u>
United States	\$ 1,535.4	7.5%
Euro Currency Markets	570.1	3.8%
United Kingdom	304.0	12.8%
Other	413.9	12.1%

	<u>\$ Mix</u>	<u>\$ Growth^(a)</u>
United States	\$ 2,968.4	\$ 228.6
Organic		195.1
Acquisition		33.5
International	\$ 2,417.9	\$ 138.9
Organic		200.0
Acquisition		0.3
FX		(61.4)
	<u>\$ Mix</u>	<u>% Growth^(a)</u>
United States	\$ 2,968.4	8.3%
Euro Currency Markets	1,053.9	-0.1%
United Kingdom	577.7	8.0%
Other	786.3	14.2%

(a) "Growth" is the year-over-year growth from the prior period.



Cash Flow – GAAP Presentation (condensed)

	<u>6 Months Ended June 30,</u>	
	<u>2006</u>	<u>2005</u>
Net Income	\$ 409.7	\$ 376.3
Stock-Based Compensation Expense	33.9	47.4
Windfall Tax Benefit on Stock Compensation	-	14.0
Depreciation and Amortization	90.3	85.5
Other Non-Cash Items to Reconcile to Net Cash Provided by Operations	37.4	27.1
Other Changes in Working Capital	(374.6)	(1,120.5)
Excess Tax Benefit on Stock Compensation	(10.1)	-
Net Cash Provided by (Used in) Operations	<u>186.6</u>	<u>(570.2)</u>
Capital Expenditures	(73.0)	(67.2)
Acquisitions	(138.5)	(132.4)
Proceeds from Sale of Businesses	-	29.3
Repayment of LT Notes Receivable	13.5	72.1
Other Investing Activities, net	332.4	552.1
Net Cash Provided by Investing Activities	<u>134.4</u>	<u>453.9</u>
Dividends	(89.8)	(82.4)
Proceeds from Issuance of Debt	995.8	0.4
Repayment of Debt	(134.1)	(188.6)
Stock Repurchases	(958.6)	(524.0)
Share Transactions Under Employee Stock Plans	153.5	34.2
Excess Tax Benefit on Stock Compensation	10.1	-
Other Financing Activities	(42.7)	67.3
Net Cash Used in Financing Activities	<u>(65.8)</u>	<u>(693.1)</u>
Effect of exchange rate changes on cash and cash equivalents	1.0	(12.7)
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ 256.2</u>	<u>\$ (822.1)</u>



Current Credit Picture

	<u>LTM ended June 30,</u>	
	<u>2006</u>	<u>2005</u>
Operating Income (EBIT) ^(a)	\$ 1,402	\$ 1,282
Net Interest Expense ^(a)	\$ 73.5	\$ 45.2
EBIT / Net Interest	19.1 x	28.4 x
Net Debt / EBIT	1.5 x	1.7 x
Debt:		
Bank Loans (Due Less Than 1 Year)	\$ 17	\$ 132
CP Issued Under \$2.4B - 5 Year Revolver Due 6/23/11	-	-
Convertible Notes Due 2/7/31	847	847
Convertible Notes Due 7/31/32	892	892
Convertible Notes Due 6/15/33 ^(b)	40	600
Convertible Notes Due 7/1/38 ^(b)	427	-
10 Year Notes Due 4/15/16	995	-
Other Debt	19	20
Total Debt	\$ 3,237	\$ 2,491
Cash and Short Term Investments	1,135	365
Net Debt	\$ 2,102	\$ 2,126

(a) "Operating Income (EBIT)" and "Net Interest Expense" calculations shown are the latest twelve month ("LTM") figures for the periods specified. Although our bank agreements reference EBITDA, we have used EBIT for this presentation because EBITDA is a non-GAAP measure.

(b) Holders of our Convertible Notes Due 6/15/33 were offered a supplemental interest payment not to put the notes to us and to consent to certain amendments to the notes. Holders of \$427.1 million of notes consented to the amendments and were paid the supplemental interest thus creating the Convertible Notes Due 7/1/38. Holders of \$40.4 million of notes did not put or consent to the amendments and the notes remained unchanged. The remaining holders of \$132.5 million of notes put the notes to us for repurchase.



Current Liquidity Picture

	Total Amount Of Facility	As of June 30, 2006	
		Outstanding	Available
Committed Facilities			
5 Year Revolver ^(a)	\$ 2,400	\$ -	\$ 2,400
Other Committed Credit Facilities	16	16	-
Total Committed Facilities	2,416	16	2,400
Uncommitted Facilities ^(b)	345	-	- ^(b)
Total Credit Facilities	\$ 2,761	\$ 16	\$ 2,400
Cash and Short Term Investments			1,135
Total Liquidity Available			\$ 3,535

(a) Credit facility expires June 23, 2011.

(b) Represents uncommitted facilities in the U.S., U.K. and Canada. These amounts are excluded from our available liquidity for purposes of this presentation.



Acquisitions Summary



Acquisition Related Expenditures

	<u>6 Months YTD 2006</u>
New Subsidiary Acquisitions ^(a)	\$ 36
Affiliates to Subsidiaries ^(b)	-
Affiliates ^(c)	3
Existing Subsidiaries ^(d)	18
Earn-outs ^(e)	94
Total Acquisition Expenditures	<u>\$ 151</u>

Note: See appendix for subsidiary acquisition profiles.

- (a) Includes acquisitions of a majority interest in new agencies resulting in their consolidation.
- (b) Includes acquisitions of additional equity interests in existing affiliate agencies resulting in their majority ownership and consolidation.
- (c) Includes acquisitions of less than a majority interest in agencies in which Omnicom did not have a prior equity interest and the acquisition of additional interests in existing affiliated agencies that did not result in majority ownership.
- (d) Includes the acquisition of additional equity interests in already consolidated subsidiary agencies.
- (e) Includes additional consideration paid for acquisitions completed in prior periods.



Potential Earn-out Obligations

The following is a calculation of future earn-out obligations as of June 30, 2006, assuming that the underlying acquired agencies continue to perform at their current levels: ^(a)

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>Thereafter</u>	<u>Total</u>
\$ 44	\$ 146	\$ 105	\$ 55	\$ 55	\$ 405

(a) The ultimate payments will vary as they are dependent on future events and changes in FX rates.



Potential Obligations

In conjunction with certain transactions Omnicom has agreed to acquire (at the sellers' option) additional equity interests. If these rights are exercised, there would likely be an increase in our net income as a result of our increased ownership and the reduction of minority interest expense. The following is a calculation of these potential future obligations (as of June 30, 2006), assuming these underlying acquired agencies continue to perform at their current levels: ^(a)

	<u>Currently Exercisable</u>	<u>Not Currently Exercisable</u>	<u>Total</u>
Subsidiary Agencies	\$ 131	\$ 82	\$ 213
Affiliated Agencies	48	7	55
Total	<u>\$ 179</u>	<u>\$ 89</u>	<u>\$ 268</u>

(a) The ultimate payments will vary as they are dependent on future events and changes in FX rates.



Second Quarter Acquisitions



ENTERTAINMENT MARKETING PARTNERS

Entertainment Marketing Partners

Entertainment Marketing Partners ("EMP") is an entertainment-based media and marketing solutions company. EMP provides clients with access to the entertainment community through relationships with studios, networks and production companies, sports leagues around the world, and video game developers.

EMP is located in Los Angeles and New York City and will become part of Ketchum Public Relations.



Second Quarter Acquisitions



HARRISON & WOLF

Harrison & Wolf

Harrison & Wolf (H&W) is a corporate communications agency providing strategic consultancy, contract publishing, advertising and corporate design services.

The agency is located in Paris, France and will be part of the Corporate Communications Group of TBWA.



Second Quarter Acquisitions



EVB

EVB is a full-service advertising agency that specializes in using immersive content to create engaging brand experiences. EVB's consumer-centric approach blends strategy with entertainment and interactivity to develop new marketing campaigns that generate brand awareness, deepen consumer relationships and instill long-term brand loyalty.

EVB is located in San Francisco, California and will be part of the DAS Group of Companies.