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OMNICOM GROUP INC
Form S-3
February 13, 2004

As filed with the Securities and Exchange Commission on February 13, 2004
Registration No. 333-

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-1004

FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

OMNICOM GROUP INC.
(Exact name of registrant as specified in its charter)

New York
(State or other jurisdiction of
incorporation or organization)

13-1514814
(I.R.S. Employer
Identification No.)

437 Madison Avenue
New York, NY 10022
(212) 415-3600

(Address, including zip code, and telephone number, including area code,
of registrant's principal executive offices)

For Co-Registrants, please see the "Table of Co-Registrants" on
the following page.

MICHAEL J. O'BRIEN, ESQ.
Senior Vice President, General Counsel and Secretary
Omicom Group Inc.
437 Madison Avenue
New York, New York 10022
(212) 415-3600

(Name, address, including zip code, and telephone number, including area code,
of agent for service)

Copy to:
MEREDITH BERKOWITZ, ESQ.
Jones Day
222 East 41st Street
New York, New York 10017
(212) 326-3939

Approximate date of commencement of proposed sale to the public: From time
to time after this Registration Statement becomes effective.

If the only securities being registered on this Form are being offered
pursuant to dividend or interest reinvestment plans, please check the following
box.

If any of the securities being registered on this Form are to be offered
on a delayed or continuous basis pursuant to Rule 415 under the Securities Act
of 1933, other than securities offered only in connection with dividend or
interest reinvestment plans, check the following box.

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If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. |_|

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. |_|

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. |_|

CALCULATION OF REGISTRATION FEE			
Title of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Security(1)	Pr
Liquid Yield Option(TM)Notes due 2031	\$847,031,000	\$1,002.50	Of
Common stock, par value \$.15 per share(3)	--	--	
Guarantee of Liquid Yield Option(TM) Notes due 2031(4)	(4)	(4)	

(TM) Trademark of Merrill Lynch & Co., Inc.

- (1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) under the Securities Act, based on the average of the bid and asked prices of the LYONs on the Portal System on February 5, 2004 of \$1,002.50 per \$1,000 issue price of LYONs.
- (2) The \$847,031,000 of Liquid Yield Option Notes due 2031 were previously registered by Omnicom Group Inc. under Registration Statement No. 333-55386 and are being carried over and consolidated into this Registration Statement pursuant to Rule 429 under the Securities Act of 1933. A registration fee in the amount of \$214,094 was previously paid by Omnicom Group Inc. under the foregoing Registration Statement.
- (3) Also being registered are an indeterminate number of shares of common stock issuable upon conversion and/or redemption of the LYONs registered hereby or in connection with a stock split, stock dividend, recapitalization or similar event for which no additional registration fee is payable pursuant to Rule 457(i) under the Securities Act.
- (4) The guarantee registered hereby related to Omnicom Capital Inc.'s and Omnicom Finance Inc.'s obligations as co-obligor of the \$847,031,000 Liquid Yield Option Notes due 2031 also being registered hereby. No separate consideration will be received for the guarantee. Pursuant to Rule 457(n), no separate registration fee is required with respect to the guarantee.

The registrants hereby amend this registration statement on such date or dates as may be necessary to delay its effective date until the registrants shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the

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Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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Table of Co-Registrants

Name ----	State of Incorporation -----	IRS Employer Identification Number -----
Omnicom Capital Inc.	Connecticut	06-1582649
Omnicom Finance Inc.	Delaware	13-3468626

The information in this prospectus is not complete and may be changed. The selling securityholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION DATED FEBRUARY 13, 2004

PRELIMINARY PROSPECTUS

\$847,031,000
OMNICOM GROUP INC.
OMNICOM CAPITAL INC.
OMNICOM FINANCE INC.

Liquid Yield Option(TM) Notes due 2031

Omnicom Group Inc. sold the LYONs in private transactions on February 7, 2001 and February 16, 2001, with no original issue discount at an issue price of \$1,000 per LYON. On February 13, 2004, pursuant to a supplemental indenture to the indenture under which the notes were issued, each of Omnicom Capital Inc., or Omnicom Capital and Omnicom Finance Inc., or Omnicom Finance, both wholly-owned financed subsidiaries of Omnicom Group Inc., became a co-obligor on the notes jointly and severally with Omnicom Group Inc. Omnicom Group Inc., Omnicom Capital and Omnicom Finance are collectively referred to as "the issuers" in this prospectus. Selling securityholders may use this prospectus to resell their LYONs and the shares of common stock issuable upon conversion or redemption of the LYONs.

On February 7, 2031, the maturity date of the LYONs, a holder will receive the principal amount at maturity of the LYONs, which will be \$1,000 per LYON unless that amount is increased at February 7, 2021 as described in this prospectus. The issuers may also elect to voluntarily pay cash interest on the LYONs at any time but they are not obligated to do so.

The LYONs are zero coupon debt securities. However, under some circumstances, contingent cash interest will be payable as described in this prospectus. The issuers may also elect to voluntarily pay contingent cash interest on the LYONs at any time, but they are not obligated to do so.

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Holders may convert each of their LYONs into 9.09 shares of common stock of Omnicom Group Inc. if the conditions for conversion specified in this prospectus are satisfied. The conversion rate may be adjusted under limited substances. Omnicom Group Inc.'s common stock currently trades on the New York Stock Exchange under the symbol "OMC." The last reported sale price of Omnicom Group Inc.'s common stock on the New York Stock Exchange was \$83.72 per share on February 12, 2004.

Under the indenture, the issuers may not redeem the LYONs before February 7, 2006. On February 4, 2004, Omnicom Group Inc. announced that it extended the commencement of the period during which the notes can be redeemed to February 7, 2009. Additionally, holders may require the issuers to purchase all or a portion of their LYONs each February 7, at the prices set forth in this prospectus. In addition, upon a change in control of Omnicom Group Inc. occurring on or before February 7, 2006, holders may require the issuers to purchase all or a portion of their LYONs for cash at a purchase price of \$1,000 per LYON. If 90% or more of the outstanding LYONs are purchased in any such event, the issuers may redeem all of the remaining LYONs for cash at a redemption price of \$1,000 per LYON.

The LYONs are the joint and several senior unsecured obligations of the issuers and rank equal in right of payment to all of their respective existing and future unsecured indebtedness.

Omicom Capital's and Omnicom Finance's obligations in respect of the notes are guaranteed by Omnicom Group Inc. The guarantee is a senior unsecured obligation of Omnicom Group Inc. and ranks equal in right of payment to all existing and future senior unsecured indebtedness of Omnicom Group Inc. For United States federal income tax purposes, the LYONs will constitute contingent payment debt instruments. You should read the discussion of selected United States federal income tax consequences relevant to the LYONs beginning on page 28.

Investing in the LYONs involves risks that are described in the "Risk Factors Relating to the LYONs" beginning on page 8 of this prospectus.

The LYONs issued in the initial private placement are eligible for trading in the PORTAL system. LYONs sold using this prospectus, however, will no longer be eligible for trading in the PORTAL system. The issuers do not intend to list the LYONs on any other national securities exchange or automated quotation system.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2004.

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This prospectus is part of a registration statement on form S-3 that the issuers filed with the SEC using a shelf registration process. Under this shelf process, the selling securityholders named in this prospectus or any prospectus supplement may, from time to time, sell up to \$847,031,000 initial principal amount of LYONs, including the related guarantee, or the 7,699,511 shares of Omnicom Group Inc.'s common stock issuable upon conversion thereof, directly to purchasers in one or more public offerings, or in any of the other ways described under the heading "Plan of Distribution."

This prospectus provides you with a general description of the LYONs, the guarantee and common stock of Omnicom Group Inc. which the selling securityholders may sell. Each time a selling securityholder offers to sell any of the LYONs or shares of Omnicom Group Inc.'s common stock, such holder will provide a prospectus supplement that will contain specific information about the terms of that offering, including a description of the risks relating to the offering, to the extent those terms are not described in this prospectus. Prospectus supplements may also add, update or change information contained in this prospectus. If there is any inconsistency between the information in this prospectus and any accompanying prospectus supplement, you should rely on the information in the prospectus supplement. You should read both this prospectus and any prospectus supplement together with the additional information described under the heading "Where You Can Find More Information" before investing in the offered securities.

The issuers have not, and the selling securityholders have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. The selling securityholders are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus or any documents incorporated by reference is accurate only as of the date on the front cover of the applicable document. The business, financial condition, results of operations and prospects of each of the issuers may have changed since that date.

SUMMARY

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The following summary is qualified in its entirety by the more detailed information included elsewhere in or incorporated by reference into this prospectus. Because this is a summary, it may not contain all the information that may be important to you. You should read the entire prospectus, as well as the information incorporated by reference, before making an investment decision. When used in this prospectus, the term "Omnicom Group" refers to Omnicom Group Inc. together with its consolidated subsidiaries, the term "Omnicom Group Inc." refers to only Omnicom Group Inc. and not its subsidiaries, the term "Omnicom Capital" refers only to Omnicom Capital Inc., the term "Omnicom Finance" refers only to Omnicom Finance Inc. and the term "issuers" refers collectively to Omnicom Group Inc., Omnicom Capital and Omnicom Finance, in each case, unless otherwise specified, as in the section captioned "Description of the LYONS" beginning on page 14, or the context otherwise requires.

Omnicom Group Inc.

Omnicom Group is one of the largest marketing and corporate communications companies in the world. Marketing and corporate communications services are provided to clients through global, pan-regional and national independent agency brands. Omnicom Group provides services to over 5,000 clients in more than 100 countries.

Omnicom Group Inc. is incorporated in New York and is a holding company. Its principal office is located at 437 Madison Avenue, New York, NY 10022, and its telephone number is (212) 415-3600.

Omnicom Group Inc.'s common stock is traded on the New York Stock Exchange under the symbol "OMC." For additional information regarding Omnicom Group's business, see the reports on Forms 10-K and 10-Q and other SEC filings made by Omnicom Group Inc., which are incorporated by reference into this prospectus. Copies of these filings may be obtained as described under "Where You Can Find More Information" on page 39.

Omnicom Capital Inc. and Omnicom Finance Inc.

Omnicom Capital and Omnicom Finance are each a wholly-owned subsidiary of Omnicom Group Inc. Neither Omnicom Capital nor Omnicom Finance has any independent operations or subsidiaries. The sole function of both Omnicom Capital and Omnicom Finance is to provide funding for the operations of Omnicom Group Inc. and its operating subsidiaries by incurring debt and lending the proceeds to the operating subsidiaries. Their respective assets consist of the intercompany loans they make or have made to Omnicom Group Inc.'s operating subsidiaries and the related interest receivables.

Omnicom Capital is incorporated in Connecticut. Its principal office is located at One East Weaver Street, Greenwich, CT 06831 and its telephone number is (203) 625-3000. Omnicom Finance is incorporated in Delaware. Its principal office is located at 437 Madison Avenue, New York, New York 10022 and its telephone number is (212) 415-3600.

The Offering

The Issuers Omnicom Group Inc., Omnicom Capital and

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Omnicom Finance.

LYONs \$847,031,000 aggregate initial principal amount at maturity of LYONs due February 7, 2031.

Maturity of LYONs February 7, 2031.

Principal Amount at Maturity of LYONs Before February 7, 2021, the principal amount at maturity of a LYON will be equal to the issue price of the LYON. On or after February 7, 2021, the principal amount at maturity of the LYONs may be increased as described in this prospectus.

If the principal amount at maturity is increased, then contingent additional principal, which is the difference between the issue price and the principal amount at maturity, will accrue from February 7, 2021 until maturity.

Cash Interest The issuers will not pay any cash interest on the LYONs prior to maturity, unless contingent cash interest becomes payable or the issuers elect to do so in their sole discretion.

Yield to Maturity of LYONs The yield to maturity of the LYONs, calculated on the basis of the principal amount at maturity and therefore excluding any contingent additional principal or contingent cash interest that may become payable, will be zero. If contingent cash interest and/or contingent additional principal becomes payable the yield to maturity of the LYONs may increase.

Contingent Cash Interest Contingent cash interest will be payable to the holders of LYONs during any six-month period from February 8 to August 7, and from August 8 to February 7, commencing February 8, 2006, if the average market price of a LYON for a five trading day measurement period preceding the applicable six-month period equals 120% or more of the issue price of the LYON.

For any six-month period, the amount of contingent cash interest payable per LYON will be equal to amount of the regular cash dividends paid by Omnicom Group Inc. per share on its common stock in that period multiplied by the number of shares issuable upon conversion of a LYON.

Contingent cash interest, if any, will accrue and be payable to holders of LYONs as of the record date for the related common stock dividend during the relevant six-month period and will be made on the payment date for the related common stock dividend. If Omnicom Group Inc. does not pay regular cash dividends, holders will not be entitled to any contingent cash interest.

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Tax Original Issue Discount For United States federal income tax purposes the LYONs constitute contingent payment debt instruments. As a result the LYONs are deemed to be issued with original issue discount for United States federal income tax purposes, referred to as tax original issue discount. You should read the discussion of selected United States federal income tax considerations relevant to the LYONs beginning on page 28.

Conversion Rights The LYONs are convertible into common stock of Omnicom Group Inc. if:

- o the average conversion value for the LYONs, which is calculated based on the price of Omnicom Group Inc's common stock on the relevant date of determination, meets specified thresholds;
- o the credit rating assigned to the LYONs is reduced to Baa3 or lower by Moody's Investors Service, Inc. or BBB or lower by Standard & Poor's Ratings Services;
- o the LYONs are called for redemption; or
- o Omnicom Group Inc. enters into specified corporate transactions.

For each LYON surrendered for conversion, if the conditions for conversion are satisfied, a holder will receive 9.09 shares of Omnicom Group Inc. common stock. The conversion rate will be adjusted for reasons specified in the indenture but will not be adjusted for accrued contingent

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additional principal that may become payable.

The ability to surrender LYONs for conversion will expire at the close of business on February 7, 2031.

Ranking The LYONs are the joint and several senior unsecured obligations of each of the issuers and rank equal in right of payment to all of their respective existing and future senior unsecured indebtedness. The LYONs are effectively subordinated to all existing and future obligations of Omnicom Group Inc.'s operating subsidiaries, including trade payables and to any and all secured obligations of the issuers, to the extent of the security.

As of September 30, 2003, Omnicom Group Inc. had \$2,589.0 million of indebtedness outstanding, all of which is unsecured. Of this amount, \$2,517.0 million represents direct obligations of the issuers and \$72.0 million represents indebtedness of Omnicom Group Inc.'s operating subsidiaries, \$34.1 million of which is guaranteed by Omnicom Group Inc.

Guarantee Omnicom Group Inc. has fully and unconditionally guaranteed Omnicom Capital's and Omnicom Finance's obligations with respect to the LYONs. The guarantee is the senior unsecured obligation of Omnicom Group Inc.

Sinking Fund None.

Redemption of LYONs at the Option of the Issuers Under the indenture, the LYONs may not be redeemed before February 7, 2006, except as set forth under "Description of LYONs -- Purchase at Option of Holder upon Change of Control of Omnicom Group Inc." beginning on page 22. On or after February 7, 2006 and before February 7, 2021, all or any portion of the LYONs may be redeemed at any time by the issuers at the issue price of the LYONs. On or after February 7, 2021, the issuers may redeem the LYONs at any time in whole or in part at the issue price

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plus accrued contingent additional principal, if any. On February 4, 2004, Omnicom Group, Inc. announced that it extended the commencement of the period during which the LYONs may be redeemed from February 7, 2006 to February 7, 2009.

Purchase of the LYONs at the Option of the Holder At each February 7 through February 7, 2030, holders may require the issuers to purchase all or a portion of their LYONs on each February 7 at the following prices:

- (1) through February 7, 2021 at the issue price of the LYON; and
- (2) February 7, 2022 through February 7, 2030 at the issue price of the LYON plus accrued contingent additional principal, if any.

The issuers may choose to pay the purchase price in cash, shares of common stock of Omnicom Group Inc. or a combination of cash and common stock of Omnicom Group Inc. The issuers may also elect, at their option, to offer a cash payment to the holders as an incentive not to exercise their right to require the issuers to purchase their LYONs. See "Description of LYONs -- Purchase of LYONs at the Option of the Holder" on page 19.

Change in Control of Omnicom Group Inc. Upon a change in control of Omnicom Group Inc. occurring on or before February 7, 2006, holders may require the issuers to purchase for cash all or a portion of their LYONs at a price equal to \$1,000 per LYON. In addition, if at least 90% of the LYONs outstanding immediately prior to the change in control of Omnicom Group Inc. are purchased, the issuers may, within 90 days after the change in control purchase date, at their option, redeem for cash all of the remaining LYONs at a redemption price equal to \$1,000 per LYON. See "Description of LYONs-- Purchase at Option of Holders upon Change in Control of Omnicom Group Inc." beginning on page 22.

DTC Eligibility The LYONs were issued only in the form of global securities held in book-entry

form. The Depository Trust Company, or DTC, or its nominee is the sole registered holder of the LYONs represented by a global security for

all purposes under the indenture. Beneficial interests in any such securities will be shown on, and transfers will be effected only through, records maintained by DTC and its direct and indirect participants and any such interest may not be exchanged for certificated securities, except in limited circumstances. See "Description of LYONs-- Book-Entry System" on page 15.

Use of Proceeds The issuers will not receive any of the proceeds from the sale by any selling securityholder of the LYONs or the common stock issuable upon conversion and/or redemption of the LYONs.

Trading The LYONs issued in the initial private placement are eligible for trading in the PORTAL system. LYONs sold using this prospectus, however, will no longer be eligible for trading in the PORTAL system. The issuers do not intend to list the LYONs on any other national securities exchange or automated quotation system. Omnicom Group Inc.'s common stock is traded on the New York Stock Exchange under the symbol "OMC."

RISK FACTORS RELATING TO THE LYONs

You should carefully consider the following information with the other information contained in or incorporated by reference into this prospectus before purchasing the LYONs or the common stock of Omnicom Group Inc. issuable upon conversion of the LYONs.

The Lack of Covenants Applicable to the LYONs May Not Afford Protection Under Some Circumstances

The holders of LYONs may require the issuers to purchase the LYONs upon the occurrence of certain change in control events described under "Description of LYONs -- Purchase at Option of Holders upon Change in Control of Omnicom

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Group Inc." beginning on page 22. However, Omnicom Group Inc. could engage in certain transactions, including certain recapitalizations, that would not constitute a change in control of Omnicom Group Inc. with respect to the change in control purchase feature of the LYONs, even though such transactions may increase the amount of Omnicom Group's outstanding indebtedness. This purchase right would also not restrict Omnicom Group from incurring indebtedness or effecting extraordinary dividends. Further, the LYONs do not afford a holder protection under maintenance or other covenants relating to Omnicom Group Inc.'s consolidated financial position or results of operations.

An Active Trading Market for LYONs May Not Develop

The LYONs comprise a new issue of securities for the issuers for which there is currently no public market. The LYONs issued in the private placement are eligible for trading in the PORTAL system. LYONs resold using this prospectus, however, will no longer be eligible for trading in the PORTAL system. The issuers do not intend to list the LYONs on any other national securities exchange or automated quotation system. If the LYONs are traded, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, the price of Omnicom Group Inc.'s common stock, Omnicom Group's performance and other factors. The issuers do not know whether an active trading market will develop for the LYONs. To the extent that an active trading market does not develop, the price at which you may be able to sell the LYONs, if at all, may be less than the price you pay for them. In addition, the LYONs have a number of features, including conditions to conversion, which, if not met, could result in a holder receiving less than the value of the common stock of Omnicom Group Inc. into which a LYON is otherwise convertible. These features could adversely affect the value and the trading prices for the LYONs.

Omnicom Group Inc.'s Holding Company Structure Results in Structural Subordination and May Affect The Issuers' Ability to Make Payments on LYONs

The LYONs are the joint and several obligations exclusively of the issuers. Omnicom Group Inc. is a holding company and, accordingly, substantially all of its operations are conducted through its operating subsidiaries. Omnicom Capital and Omnicom Finance are wholly-owned subsidiaries of Omnicom Group Inc. Their respective assets consist of the intercompany loans they make or have made to Omnicom Group Inc.'s operating subsidiaries and the related interest receivables. As a result, the issuers' cash flow and their ability to make payments on their respective debt, including the LYONs, is dependent upon the earnings of these operating subsidiaries. In addition, Omnicom Group Inc. is dependent on the distribution of earnings, loans or other payments by the operating subsidiaries to it to service its obligations in respect of the LYONs and its other debt. In addition, as a finance subsidiary, to service debt, each of Omnicom Capital and Omnicom Finance is also dependent on the earnings of the operating subsidiaries, the sale of certain assets of the operating subsidiaries, and ability of the operating subsidiaries to repay principal and interest on the intercompany loans.

Omnicom Group Inc.'s operating subsidiaries are separate and distinct legal entities. These subsidiaries have no obligation to pay any amounts due on the LYONs or to provide the issuers with funds for their respective payment obligations, whether by dividends, distributions, repayment or making of loans or other payments. In addition, any payment or repayment of dividends, distributions, loans or advances by these operating subsidiaries to the issuers could be subject to statutory or contractual restrictions. Payments to the issuers by the operating subsidiaries will also be contingent upon the operating subsidiaries' earnings and business considerations.

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Because of this structure, the claims of creditors of Omnicom Group Inc.'s operating subsidiaries will have a priority over the equity rights of Omnicom Group Inc. and the rights of its creditors, including the holders of LYONs, to participate in the assets of the subsidiary upon the subsidiary's liquidation or reorganization. Although Omnicom Capital's and Omnicom Finance's respective loans to the operating subsidiaries are secured by the assets of those subsidiaries, the rights of Omnicom Capital and Omnicom Finance and their respective creditors, including holders of the LYONs, to participate in the assets of the operating subsidiaries will depend upon the amount of loans, and security for those loans, on the relevant date of determination. The amount of loans outstanding from Omnicom Capital and Omnicom Finance to these operating subsidiaries, and the value of the collateral securing the loans, may not be sufficient to assure repayment in full to all of Omnicom Capital's or Omnicom Finance's respective creditors. The loans or the security for such loans could also be invalidated in whole or in part in any liquidation or reorganization.

You Should Consider the United States Federal Income Tax Consequences of Owning LYONs

The LYONs constitute contingent payment debt instruments and will accrue tax original issue discount. As a result, you will be required to include amounts in income, as ordinary income, in advance of the receipt of the cash, or other property, attributable thereto. The issuers intend to compute and report accruals of the tax original issue discount based upon a yield of 6.71% per year, computed on a semiannual bond equivalent basis, which the issuers have determined represents the yield the issuers would pay on a noncontingent, nonconvertible, fixed rate debt with terms otherwise similar to the LYONs. Pursuant to the issuers determination of the tax original issue discount on the LYONs, you will recognize gain or loss on the sale, purchase by the issuers at your option, conversion or redemption of a LYON in an amount equal to the difference between the amount realized on such a transaction, including the fair market value of any common stock received upon conversion or otherwise, and your adjusted tax basis in the LYON. Any gain so recognized by you generally will be ordinary interest income; any loss will be ordinary loss to the extent of the interest previously included in income and, thereafter, capital loss. However, it is possible that holders may be precluded by certain rules regarding recapitalizations from recognizing any capital loss with respect to a conversion or redemption of the LYONs in exchange for shares of Omnicom Group Inc. common stock. Holders should consult their tax advisors regarding the deductibility of any such capital loss. A summary of the federal income tax consequences of ownership of the LYONs is described in this prospectus under the heading "Federal Income Tax Considerations" beginning on page 28.

The Issuers May Not Have the Ability to Raise the Funds Necessary to Finance the Purchase of LYONs at the Option of the Holder or the Change in Control of Omnicom Group Inc.

At each February 7, through February 7, 2030 and upon a change in control of Omnicom Group Inc. occurring on or before February 7, 2006, holders of LYONs have the right to require the issuers to purchase their LYONs. The issuers may not have sufficient funds at those times to make any required purchase of LYONs. In addition, corporate events involving fundamental changes to Omnicom Group Inc.'s capital structure, such as leveraged recapitalizations that would increase the level of Omnicom Group's indebtedness, would not necessarily constitute a change in control for these purposes. See "Description of LYONs -- Purchase of LYONs at Option of Holder" on page 19, and "-- Purchase at Option of Holders Upon Change in Control of Omnicom Group Inc." beginning on page 22.

The Markets in Which Omnicom Group Participates are Highly Competitive and If Omnicom Group Is Not Able to Compete Effectively Its Business and Financial

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Results Could Be Adversely Affected

Omnicom Group faces the risks normally associated with global services businesses. The operational and financial performance of its businesses is generally tied to overall economic and regional market conditions, competition for client assignments and talented staff, new business wins and losses and the risks associated with extensive international operations. While Omnicom Group has no reason to believe that its international operations as a whole present any material risk to its overall business, there are some risks of doing business, including those of currency fluctuations, political instability and exchange controls, which do not affect domestic-focused firms.

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The particular business in which Omnicom Group participates are highly competitive. In general, the financial and technological barriers to entry are low, with the key competitive considerations for keeping existing business and winning new business being the quality and effectiveness of the services offered, including Omnicom Group's ability to efficiently serve clients, particularly large international clients, on a broad geographic basis. While many of Omnicom Group's client relationships are long-standing, companies often put their advertising, marketing services and public and corporate communications business up for competitive review from time to time. To the extent that Omnicom Group is not able to remain competitive or to keep key clients, its business and financial results could be adversely affected.

Omnicom Group's ability to retain existing clients and to attract new clients may, in some cases, be limited by clients' policies on or perceptions of conflicts of interest arising out of other client relationships. In addition, an important aspect of Omnicom Group's competitiveness is its ability to retain key employee and management personnel. Omnicom Group's continuing ability to attract and retain these employees may have a material effect on its business and financial results.

FORWARD-LOOKING INFORMATION

Some of the statements in this prospectus and any documents incorporated by reference constitute forward-looking statements. These statements relate to future events or future financial performance and involve known and unknown risks, uncertainties and other factors that may cause Omnicom Group's or its industry's actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by any forward-looking statements. In some cases, you can identify forward-looking statements 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 only present expectations. Actual events or results may differ materially. Moreover, the issuers do not, nor does any other person, assume responsibility for the accuracy and completeness of those statements.

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SELECTED CONSOLIDATED HISTORICAL FINANCIAL INFORMATION

The following table sets forth selected consolidated financial data for Omnicom Group Inc. and its consolidated subsidiaries and should be read in conjunction with the consolidated financial statements of Omnicom Group Inc. incorporated into this prospectus by reference. The information for the nine

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months ended September 30, 2003 and 2002 was derived from the unaudited financial data included in Omnicom Group Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2003 which, in the opinion of management, includes all adjustments, consisting of normal recurring adjustments, which Omnicom Group Inc. considers necessary for a fair presentation, in all material respects, of its financial position and results of operations for these periods. The results for the nine months ended September 30, 2003 are not necessarily indicative of the results to be expected for the fiscal year ended December 31, 2003. The information for the years ended December 31, 2002, 2001, 2000, 1999 and 1998 was derived from Omnicom Group Inc.'s audited financial statements. Omnicom Group Inc.'s financial statements for the year ended December 31, 2002 were audited by KPMG LLP, whom Omnicom Group Inc. appointed as its independent auditors as of June 13, 2002. Omnicom Group Inc.'s financial statements for the years ended December 31, 2001, 2000, 1999 and 1998 were audited by Omnicom Group Inc.'s former independent auditors, Arthur Andersen LLP. Arthur Andersen has ceased auditing public companies in the United States.

	Nine months ended September 30,		Year ended		
	2003	2002	2002	2001	
(Dollars in thousands except for per share amounts)					
For the period:					
Revenue	\$ 6,115,356	\$ 5,417,454	\$ 7,536,299	\$ 6,889,406	\$ 6,889,406
Operating profit	794,411	770,740	1,104,115	968,184	968,184
Income after income taxes	500,381	476,343	697,987	543,257	543,257
Net income	454,601	441,985	643,459	503,142	503,142
Earnings per common share					
Basic	2.43	2.37	3.46	2.75	2.75
Diluted	2.42	2.36	3.44	2.70	2.70
Dividends declared per					
common share	0.60	0.60	0.80	0.775	0.775
At period end:					
Cash and short-term					
investments	587,712	392,643	695,881	516,999	516,999
Total assets	\$12,680,697	\$11,222,307	\$11,819,802	\$10,617,414	\$10,617,414
Long-term obligations:					
Long-term debt	185,014	758,709	197,861	490,105	490,105
Convertible notes	2,339,310	1,750,000	1,747,037	850,000	850,000
Deferred compensation and other liabilities	328,525	306,876	293,638	296,980	296,980

As discussed in footnote 13 of the notes to Omnicom Group Inc.'s consolidated financial statements for the year ended December 31, 2002, and as required by Statement of Financial Accounting Standards (SFAS) No. 142--"Goodwill and Other Intangibles," beginning with Omnicom Group Inc.'s 2002 results, goodwill and other intangible assets that have indefinite lives are no longer amortized. In the table that follows, Omnicom Group Inc.'s historical results for periods prior to 2002 have been adjusted to eliminate goodwill amortization for all periods, as well as a non-recurring gain on the sale of Razorfish shares in 2000, and the related tax impacts. As a result of these exclusions, this presentation is a non-GAAP financial measure. Omnicom Group Inc. believes that by excluding these items, its financial results are more comparable year to year and thus more meaningful for purposes of this analysis. Omnicom Group Inc.'s consolidated results of operations with these adjustments were as follows:

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	Nine months ended September 30,		Year e	
	2003	2002	2002	2001
	(Dollars in thousands except			
As adjusted:				
Net income, GAAP	\$ 454,601	\$ 441,985	\$ 643,459	\$ 503,142
Add-back goodwill amortization net of income taxes	--	--	--	83,066
Less: gain on sale of Razorfish shares, net of income taxes	--	--	--	--
Net income, excluding goodwill amortization and Razorfish gain	\$ 454,601	\$ 441,985	\$ 643,459	\$ 586,208
Earnings per common share, excluding goodwill amortization and Razorfish gain				
Basic	2.43	2.37	3.46	3.21
Diluted	2.42	2.36	3.44	3.13

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RATIO OF EARNINGS TO FIXED CHARGES

The following table shows the ratio of earnings to fixed charges for Omnicom Group Inc. and its consolidated subsidiaries for the nine months ended September 30, 2003 and 2002 and each of the five most recent fiscal years.

Nine months ended September 30,		Year ended December 31,				
2003	2002	2002	2001	2000	1999	1998
5.62x	5.80x	6.45x	4.82x	4.83x	4.44x	4.03x

The ratio of earnings to fixed charges is computed by dividing fixed charges into earnings before income taxes plus fixed charges. Fixed charges consist of interest expense and that portion of net rental expense deemed representative of interest. Effective January 1, 2002 Omnicom Group Inc. stopped recording goodwill amortization expense as required by SFAS No. 142.

The ratios shown for years ended December 31, 1998 through 2001, include goodwill amortization expense.

USE OF PROCEEDS

The issuers will not receive any proceeds from the sale by any securityholder of the LYONs or the Omnicom Group Inc. common stock issuable upon conversion and/or redemption of the LYONs. See "Selling Securityholders" beginning on page 32.

PRICE RANGE OF COMMON STOCK AND DIVIDEND HISTORY

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Omnicom Group Inc.'s common stock is traded on the New York Stock Exchange under the symbol "OMC." The table below shows the range of quarterly high and low closing sale prices per share reported on the New York Stock Exchange Composite Tape for Omnicom Group Inc.'s common stock for the periods indicated and the average closing sale price per share and the dividends paid per share on Omnicom Group Inc.'s common stock for such periods. The last reported sale price per share on February 12, 2004 was \$83.72.

	Omnicom Common Stock		Average Last Sale Price	Divid Per S
	High	Low		
2002:				
First Quarter	\$97.21	\$85.10	\$90.10	\$0.2
Second Quarter	94.80	44.30	81.43	0.2
Third Quarter	64.89	40.74	55.35	0.2
Fourth Quarter	69.16	50.67	62.19	0.2
2003:				
First Quarter	\$67.72	\$48.50	\$57.56	\$0.2
Second Quarter	75.25	54.65	66.27	0.2
Third Quarter	80.97	71.05	75.01	0.2
Fourth Quarter	87.48	72.49	79.74	0.2
2004:				
First Quarter (through February 12, 2004)	\$88.44	\$81.05	\$85.09	\$

The payment of dividends by Omnicom Group Inc. in the future will be determined by its board of directors and will depend on business conditions, Omnicom Group's financial condition and earnings and other factors.

Omnicom Group Inc. is not aware of any restrictions on its present or future ability to pay dividends. However, under the terms of some of its borrowing facilities, certain financial tests must be satisfied in order to pay dividends.

Omnicom Group Inc. has 1.0 billion authorized shares of common stock, par value \$0.15 per share, of which 190.5 million shares were outstanding on January 30, 2004.

CAPITALIZATION

The following table sets forth Omnicom Group Inc.'s consolidated capitalization as of September 30, 2003. You should read this table in conjunction with Omnicom Group Inc.'s financial statements and related notes and other financial and operating data included elsewhere in or incorporated by reference into this prospectus.

September 30, 2003

(in thousands)

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Current liabilities:	
Accounts payable	\$ 4,468,728
Advance billings	707,374
Current portion of long-term debt	11,810
Bank loans	52,873
Accrued taxes and other liabilities	1,280,590

Total current liabilities	6,521,375

Long-term debt	185,014
Convertible Notes	2,339,310
Deferred compensation and other liabilities	328,525
Minority interests	189,056

Total long-term indebtedness	3,041,905

Shareholders' equity:	
Common stock, 198,624,279 shares issued, 189,978,523 shares outstanding(1)	29,790
Additional paid-in capital	1,382,025
Retained earnings	2,456,938
Unamortized restricted stock	(139,868)
Accumulated other comprehensive loss	(10,089)
Treasury stock	(601,379)

Total shareholders' equity	3,117,417

Total liabilities and shareholders' equity	\$ 12,680,697
	=====

(1) Outstanding common stock of Omnicom Group Inc. as of January 30, 2004 of 190.5 million shares excludes 5.8 million shares reserved for issuance upon conversion of the \$600.0 million Zero Coupon Zero Yield Convertible Notes due 2033, 7.7 million shares reserved for issuance upon conversion of the LYONS, 8.1 million shares reserved for issuance upon conversion of the issuers' \$892.0 million Zero Coupon Zero Yield Convertible Notes due 2032 and shares reserved for issuance under Omnicom Group Inc.'s outstanding option grants.

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DESCRIPTION OF LYONS

Omnicom Group, Inc. issued the LYONS under a senior indenture dated as of February 7, 2001 between it and JPMorgan Chase Bank, formerly known as The Chase Manhattan Bank, as trustee. On February 13, 2004, Omnicom Capital and Omnicom Finance, wholly-owned finance subsidiaries of Omnicom Group Inc., each became a co-issuer and co-obligor, jointly and severally, with Omnicom Group Inc., of the LYONS pursuant to a supplemental indenture between JPMorgan Chase Bank, as trustee, Omnicom Group Inc., Omnicom Capital and Omnicom Finance. The following summarizes the material provisions of the LYONS and the indenture as amended by the supplemental indenture. The following summary is not complete and is subject to, and qualified by reference to, all of the provisions of the LYONS and the indenture as so amended.

The indenture does not contain any financial covenants or any restrictions on the payment of dividends or the issuance or purchase of the issuers' securities. The indenture contains no covenants or other provisions to give protection to the holders of the LYONS in the event of a highly leveraged

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transaction or a change in control, except to the extent described under "-- Purchase at Option of Holders upon Change in Control of Omnicom Group Inc." beginning on page 22.

General

Under the indenture, the LYONS are limited to \$850,000,000 aggregate initial principal amount at maturity. There are currently \$847,031,000 aggregate initial principal amounts at maturity of LYONS outstanding. The LYONS will mature on February 7, 2031. Before February 7, 2021, the principal amount at maturity of a LYON will be equal to \$1,000, the initial principal amount at maturity. On or after February 7, 2021, if, for the last 20 trading days preceding February 7, 2021, the average conversion value of a LYON is greater than the issue price but less than or equal to \$2,200, then the principal amount at maturity of a LYON will be equal to the conversion value of the LYON on February 7, 2021, but in no event greater than \$2,000. If that average conversion value exceeds \$2,200 of the issue price then the principal amount at maturity will equal \$1,000.

Contingent additional principal is the difference between the \$1,000 initial principal amount at maturity and the principal amount at maturity, as determined in accordance with the prior paragraph, if any. Contingent additional principal will be calculated on a semi-annual bond equivalent basis, using a 360-day year composed of twelve 30-day months.

The conversion value of a LYON as of any date of determination will equal the sale price per share of Omnicom Group Inc. common stock on such determination date multiplied by the number of shares of common stock then issuable upon conversion of a LYON.

Principal on the LYONS will be payable at the office of the paying agent, which initially will be an office or agency of the trustee, or an office or agency maintained by the issuers for such purpose, in the Borough of Manhattan, The City of New York.

The issuers will not pay any cash interest on the LYONS prior to maturity unless contingent cash interest becomes payable as described under "-- Contingent Cash Interest" below. Each LYON was issued at an issue price of \$1,000 per LYON. Although the LYONS were not offered at a discount from their issue price, they are contingent payment debt instruments.

Maturity, conversion, purchase by the issuers at the option of the holder or redemption of a LYON will cause any and all contingent additional principal, if any, and contingent cash interest, if any, to cease to accrue on such LYON. The issuers may not reissue a LYON that has matured or been converted, purchased by the issuers at your option, redeemed or otherwise cancelled.

LYONS may be presented for conversion at the office of the conversion agent and for exchange or registration of transfer at the office of the registrar. The conversion agent and the registrar will initially be the trustee. The issuers will not charge a service fee for any exchange or registration of transfer of LYONS. However, the issuers may require the holder to pay any tax, assessment or other governmental charge payable as a result of such transfer or exchange.

Ranking of the LYONS

The LYONS are the joint and several senior unsecured obligations of Omnicom Group Inc., Omnicom Capital and Omnicom Finance. The LYONS rank equal in right of payment to all of the issuers respective

existing and future senior unsecured indebtedness. However, Omnicom Group Inc. is a holding company and Omnicom Capital and Omnicom Finance are finance subsidiaries. As finance subsidiaries, their respective assets consist of the intercompany loans they make or have made to Omnicom Group's operating subsidiaries and the related interest receivables. As a result the LYONs are effectively subordinated to all existing and future obligations of Omnicom Group Inc.'s operating subsidiaries, including trade payables, and to the issuers' respective obligations that are secured, to the extent of the security. See "Risk Factors -- Omnicom Group Inc.'s Holding Company Structure Results in Structural Subordination and May Affect the Issuers' Ability to Make Payments on LYONs" beginning on page 8.

As of September 30, 2003, Omnicom Group had \$2,589.0 million of indebtedness outstanding, all of which is unsecured. Of this amount \$2,517.0 million represents direct obligations of the issuers and \$72.0 million represents indebtedness of Omnicom Group Inc.'s operating subsidiaries, of which \$34.1 million is guaranteed by Omnicom Group Inc.

Guarantee

The obligations of Omnicom Capital and Omnicom Finance under the LYONs are fully and unconditionally guaranteed on a senior unsecured basis by Omnicom Group Inc. The guarantee is senior in right of payment to all subordinated debt of Omnicom Group Inc. and its subsidiaries and equal in right of payment to all of Omnicom Group Inc.'s other senior unsecured indebtedness, including the LYONs.

Book-Entry System

The LYONs were issued only in the form of global securities held in book-entry form. DTC or its nominee is the sole registered holder of the LYONs for all purposes under the indenture. Owners of beneficial interests in the LYONs represented by the global securities hold their interests pursuant to the procedures and practices of DTC. As a result, beneficial interests in these securities are shown on, and may only be transferred through, records maintained by DTC and its direct and indirect participants and any such interest may not be exchanged for certificated securities, except in limited circumstances. Owners of beneficial interests must exercise any rights in respect of their interests, including any right to convert or require purchase of their interests in the LYONs, in accordance with the procedures and practices of DTC. Beneficial owners are not holders and are not entitled to any rights provided to the holder of LYONs under the global securities or the indenture. The issuers and the trustee, and any of their respective agents, may treat DTC as the sole holder and registered owner of the global securities.

Exchange of Global Securities

LYONs represented by a global security are exchangeable for certificated securities with the same terms only if:

- o DTC is unwilling or unable to continue as depositary or if DTC ceases to be a clearing agency registered under the Exchange Act and a successor depositary is not appointed by the issuers within 90 days,
- o the issuers decide to discontinue use of the system of book-entry transfer through DTC (or any successor depositary), or
- o a default under the indenture occurs and is continuing.

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DTC has advised the issuers that it is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC facilitates the settlement of transactions among its participants through electronic computerized book-entry changes in participants' accounts, eliminating the need for physical movement of securities certificates. DTC's participants include securities brokers and dealers, banks, trust companies, clearing corporations and other organizations, some of whom and/or their representatives own DTC. Access to DTC's book-entry system is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly.

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Conversion Rights

Holders may surrender LYONs for conversion into shares of common stock of Omnicom Group Inc. only if at least one of the conditions described below is satisfied. In addition, a LYON for which a holder has delivered a purchase notice or a change in control purchase notice requiring the issuers to purchase the LYON may be surrendered for conversion only if such notice is withdrawn in accordance with the indenture.

The initial conversion rate is 9.09 shares per LYON, subject to adjustment upon the occurrence of the events described below. A holder of a LYON otherwise entitled to a fractional share will receive cash in an amount equal to the value of such fractional share based on the sale price, as defined below under "-- Purchase of LYONs at the Option of the Holder," beginning on page 19, on the trading day immediately preceding the conversion date.

If contingent cash interest is payable to holders of LYONs during any particular six-month period, and any LYONs are converted after the applicable record date, those LYONs upon surrender must be accompanied by funds equal to the amount of contingent cash interest payable on the principal amount of LYONs so converted, unless those LYONs have been called for redemption, in which case no such payment shall be required.

The ability to surrender LYONs for conversion will expire at the close of business on February 7, 2031.

To convert a LYON into shares of common stock, a holder must:

- o complete and manually sign the conversion notice on the back of the LYON or complete and manually sign a facsimile of the conversion notice and deliver the conversion notice to the conversion agent;
- o surrender the LYON to the conversion agent;
- o if required by the conversion agent, furnish appropriate endorsements and transfer documents; and
- o if required, pay all transfer or similar taxes.

Pursuant to the indenture, the date on which all of the foregoing requirements have been satisfied is the conversion date.

If one or more of the conditions to the conversion of the LYONs has been

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satisfied, the issuers will promptly notify the holders of LYONS thereof and use their reasonable best effort to post this information on the Omnicom Group Inc. web site or, at their option, otherwise publicly disclose this information.

The ability to surrender notes for conversion will expire at the close of business February 7, 2031.

Conversion Based on Omnicom Group Inc.'s Common Stock Price

Before February 7, 2021, holders may surrender a LYON for conversion during any calendar quarter, if for the last 20 trading days in the preceding calendar quarter, the average conversion value of the LYONS, calculated as described above under "-- General" on page 14, is greater than or equal to the following amount for the quarter indicated:

Quarter Ended -----	Amount -----
March 31, 2004	\$1,600
June 30, 2004	\$1,650
September 30, 2004	\$1,700
December 31, 2004	\$1,750
March 31, 2005	\$1,800
June 30, 2005	\$1,850
September 30, 2005	\$1,900
December 31, 2005	\$1,950
March 31, 2006	\$2,000
June 30, 2006	\$2,050
September 30, 2006	\$2,100
December 31, 2006	\$2,150
March 31, 2007 and thereafter	\$2,200

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If the foregoing condition is satisfied at any time before February 7, 2021, then the LYONS will be convertible at any time at the option of the holder, through maturity. If the foregoing condition is satisfied at any time after February 7, 2021, then the LYONS will be convertible at any time at the option of the holder, through maturity.

On February 7, 2021, if the average conversion value of a LYON is greater than or equal to \$2,200, then the LYONS will be convertible at any time thereafter at the option of the holder, through maturity.

Conversion Based on Credit Ratings

Holders may surrender a LYON for conversion at any time after the credit rating assigned to the LYONS is reduced to Baa3 or lower by Moody's Investors Service, Inc. or BBB or lower by Standard & Poor's Ratings Services.

Conversion upon Notice of Redemption

A holder may surrender for conversion a LYON called for redemption at any time prior to the close of business on the second business day prior to the redemption date, even if it is not otherwise convertible at that time. A LYON for which a holder has delivered a purchase notice or a change in control purchase notice as described below requiring us to purchase the LYON may be surrendered for conversion only if such notice is withdrawn in accordance with the indenture.

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Conversion upon Occurrence of Specified Corporate Transactions

If Omnicom Group Inc. elects to

- o distribute to all holders of its common stock certain rights entitling them to purchase, for a period expiring within 60 days, common stock at less than the sale price, as defined below under "--Purchase of LYONs at Option of the Holder" beginning on page 19, at the time, or
- o distribute to all holders of its common stock assets, debt securities or certain rights to purchase its securities, which distribution has a per share value as determined by its board of directors exceeding 15% of the closing price of the common stock on the day preceding the declaration date for such distribution,

Omicom Group Inc. must notify the holders of LYONs at least 20 days prior to the ex-dividend date for such distribution. Once Omnicom Group Inc. has given such notice, holders may surrender their LYONs for conversion at any time until the earlier of the close of business on the business day prior to the ex-dividend date or Omnicom Group Inc.'s announcement that such distribution will not take place.

In addition, if Omnicom Group Inc. is party to a consolidation, merger or binding share exchange pursuant to which its common stock would be converted into cash, securities or other property, a holder may surrender LYONs for conversion at any time from and after the date which is 15 days prior to the anticipated effective date for the transaction until 15 days after the actual effective date of such transaction.

Conversion Rate Adjustments and Delivery of Omnicom Group Inc. Common Stock

The initial conversion rate is 9.09 of common stock of Omnicom Group Inc. The conversion rate will not be adjusted for accrued contingent additional principal, if any, or contingent cash interest, if any. As soon as practicable following the conversion date, Omnicom Group Inc. will deliver through the conversion agent a certificate for the number of full shares of common stock of Omnicom Group Inc. into which any LYON is converted, together with any cash payment for fractional shares. Delivery to the holder of the full number of shares of common stock of Omnicom Group Inc. into which the LYON is convertible, together with any cash payment for such holder's fractional shares, will be deemed to satisfy the issuers' obligation to pay the principal amount at maturity of the LYON. For a discussion of the tax treatment of a holder receiving common stock upon conversion, see "Federal Income Tax Considerations -- Disposition or Conversion" on page 31.

The conversion rate is required to be adjusted for:

- o dividends or distributions on Omnicom Group Inc.'s common stock payable in common stock or other capital stock of Omnicom Group Inc.,

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- o subdivisions, combinations or certain reclassifications of Omnicom Group Inc.'s common stock,
- o distributions to all holders of Omnicom Group Inc.'s common stock of certain rights to purchase common stock of Omnicom Group Inc. for a period expiring within 60 days at less than the sale price at the

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time, and

- o distributions to those holders of Omnicom Group Inc.'s assets or debt securities or certain rights to purchase its securities (excluding cash dividends or other cash distributions from current or retained earnings unless the annualized amount thereof per share exceeds 5% of the sale price of Omnicom Group Inc.'s common stock on the day preceding the date of declaration of such dividend or other distribution).

However, no adjustment need be made if holders may participate in the transaction without conversion or in certain other cases.

The indenture permits the issuers to increase the conversion rate from time to time.

If Omnicom Group Inc. is party to a consolidation, merger or binding share exchange pursuant to which its common stock is converted into cash, securities or other property, at the effective time of the transaction, the right to convert a LYON into shares of its common stock will be changed into a right to convert it into the kind and amount of securities, cash or other property of Omnicom Group Inc. or another person which the holder would have received if the holder had converted the holder's LYON immediately prior to the transaction. If the transaction also constitutes a "change in control," as defined below, the holder will be able to require the issuers to purchase all or a portion of its LYONs as described under "-- Purchase at Option of Holders upon Change in Control of Omnicom Group Inc." beginning on page 22.

In the event of:

- o a taxable distribution to holders of common stock of Omnicom Group Inc. which results in an adjustment of the conversion rate, or
- o an increase in the conversion rate at the issuers discretion,

the holders of the LYONs may, in certain circumstances, be deemed to have received a distribution subject to United States federal income tax as a dividend. See "Federal Income Tax Considerations -- Constructive Dividend" on page 31.

Contingent Cash Interest

The issuers will pay contingent cash interest to the holders of LYONs during any six-month period from February 8 to August 7, and from August 8 to February 7, commencing February 8, 2006 if the average market price of a LYON for a five trading day measurement period preceding the applicable six-month period equals or exceeds \$1,200. For any six-month period, the amount of contingent cash interest per LYON will be equal to the regular cash dividends paid by Omnicom Group Inc. per share of its common stock multiplied by the number of shares then issuable upon conversion of a LYON. Regular cash dividends are quarterly or other periodic cash dividends on Omnicom Group Inc. common stock as declared by Omnicom Group Inc.'s board of directors as part of its cash dividend payment practices and that are not designated by them as extraordinary or special or other nonrecurring dividends. As a result, Omnicom Group Inc. does not pay regular cash dividends, holders will not be entitled to any contingent cash interest.

The payment of contingent cash interest is designed to enable holders of the notes to receive the same current cash yield on the notes that they would have received had they converted the notes into the common stock of Omnicom Group Inc. in the event that Omnicom Group Inc. pays dividends on its common stock. Contingent cash interest, if any, will accrue and be payable to holders

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of LYONs as of the record date for the related Omnicom Group Inc. common stock dividend during the relevant six-month period. Such payments will be made on the payment date of the related common stock dividend.

Each five trading day measurement period will end on the second trading day immediately preceding the applicable six-month period; provided, however, that if the issuers declare a dividend for which the record date will occur prior to the applicable six-month period but for which the payment date will occur during the applicable six-month period, the five trading day measurement period will instead end on the second trading day immediately preceding that record date.

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For purposes of determining whether contingent cash interest is payable, the market price of a LYON on any date of determination means the average of the secondary market bid quotations per LYON obtained by the bid solicitation agent for \$10.0 million principal amount at maturity of LYONs at approximately 4:00 p.m., New York City time, on such determination date from three independent nationally recognized securities dealers the issuers select, provided that if

- o at least three such bids are not obtained by the bid solicitation agent, or
- o in the issuers' reasonable judgment, the bid quotations are not indicative of the secondary market value of the LYONs,

then the market price of the LYON will equal (1) the then applicable conversion rate of the LYONs multiplied by (2) the average sale price of Omnicom Group Inc. common stock on the five trading days ending on such determination date, appropriately adjusted.

The bid solicitation agent will initially be J.P. Morgan Chase Bank, formerly known as The Chase Manhattan Bank. The issuers may change the bid solicitation agent, but the bid solicitation agent will not be their affiliate. The bid solicitation agent will solicit bids from securities dealers that are believed by the issuers to be willing to bid for the LYONs.

The issuers will determine every six months, commencing February 8, 2006, whether the conditions to the payment of contingent cash interest have been satisfied and, if so, the issuers will promptly notify the holders of LYONs thereof and use their reasonable best efforts to post this information on the Omnicom Group Inc. web site or, at their option, otherwise publicly disclose this information.

The issuers may unilaterally increase the amount of contingent cash interest they pay, but they will have no obligation to do so.

Redemption of LYONs at the Option of the Issuers

No sinking fund is provided for the LYONs. Under the indenture, the issuers cannot redeem the LYONs on or before February 7, 2006, except as set forth under "-- Purchase of the LYONs at Option of Holders upon Change in Control of Omnicom Group Inc." beginning on page 22. After February 7, 2006, and before February 7, 2021 the issuers may, at their option, redeem the LYONs for cash at any time in whole or from time to time in part at the issue price of the LYONs. On or after February 7, 2021, the issuers may redeem the LYONs at any time in whole or in part at the issue price plus any contingent additional principal that has accrued to the date of redemption. On February 4, 2004, Omnicom Group Inc. announced that it extended the commencement of the period

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during which the LYONs may be redeemed from February 7, 2006 to February 7, 2009. The issuers will give not less than 30 days nor more than 60 days notice of redemption by mail to holders of LYONs. LYONs called for redemption will be convertible by the holder, even if the other conditions described under "-- Conversion Rights," beginning on page 16, have not occurred, until the close of business on the second business day prior to the redemption date.

The LYONs will be redeemable in integral multiples of \$1,000.

If less than all of the outstanding LYONs are to be redeemed, the trustee will select the LYONs to be redeemed. In this case, the trustee may select the LYONs by lot, pro rata or by any other method the trustee considers fair and appropriate. If a portion of a holder's LYONs is selected for partial redemption and the holder converts a portion of the LYONs, the converted portion will be deemed to be the portion selected for redemption.

Purchase of LYONs at the Option of the Holder

At each February 7, through February 7, 2030, holders may require the issuers to purchase any outstanding LYON for which the holder has properly delivered and not withdrawn a written purchase notice, subject to certain additional conditions. Holders may require the issuers to purchase all or a portion of their LYONs on each February 7 at the following prices:

- (1) through February 7, 2021 at the issue price of the LYON; and
- (2) February 7, 2022 through February 7, 2030 at the issue price of the LYON plus any contingent additional principal that has accrued to the purchase date.

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Holders may submit their LYONs for purchase to the paying agent at any time from the opening of business on the date that is 20 business days prior to the purchase date until the close of business on the third business day prior to the purchase date.

The purchase price will be payable, at the issuers' option, in cash, shares of Omnicom Group Inc.'s common stock or any combination thereof. However, the issuers may also elect, at their option, to offer a cash payment to the holders as an incentive not to exercise their right to require the issuers to purchase their LYONs. Omnicom Group Inc. has made one such offer as of the date of this prospectus. Additionally, on February 4, 2004, Omnicom Group Inc. announced that it would extend the commencement of the period during which the LYONs can be redeemed from February 7, 2006 to February 7, 2009 for those holders who elected not to exercise such rights.

The issuers will be required to give notice on a date not less than 20 business days prior to the purchase date to all holders at their addresses shown in the register of the registrar, and to beneficial owners as required by applicable law, stating among other things:

- o whether the issuers will pay the purchase price of LYONs in cash or common stock of Omnicom Capital Inc. or any combination thereof, specifying the percentage of each,
- o if the issuers elect to pay in common stock of Omnicom Capital Inc., the method of calculating the market price of such common stock, and
- o the procedures that holders must follow to require the issuers to

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purchase their LYONs.

The purchase notice given by each holder electing to require the issuers to purchase LYONs shall be given so as to be received by the paying agent no later than the close of business on the third business day prior to the purchase date and must state:

- o the certificate numbers of the holder's LYONs to be delivered for purchase,
- o the portion of the principal amount at maturity of LYONs to be purchased, which must be \$1,000 or an integral multiple of \$1,000, and
- o that the LYONs are to be purchased by the issuers pursuant to the applicable provisions of the LYONs.

A holder may withdraw any purchase notice by delivering a written notice of withdrawal to the paying agent prior to the close of business on the purchase date. The notice of withdrawal shall state:

- o the principal amount at maturity of the LYONs being withdrawn,
- o the certificate numbers of the LYONs being withdrawn, and
- o the principal amount at maturity, if any, of the LYONs that remain subject to the purchase notice.

If the issuers elect to pay the purchase price, in whole or in part, in shares of common stock of Omnicom Group Inc., the number of shares of common stock to be delivered by Omnicom Group Inc. shall be equal to the portion of the purchase price to be paid in common stock divided by the market price of a share of such common stock.

The issuers will pay cash based on the market price for all fractional shares of Omnicom Group Inc.'s common stock in the event they elect to deliver common stock of Omnicom Group Inc. in payment, in whole or in part, of the purchase price. See "Federal Income Tax Considerations" beginning on page 28.

The "market price" of the common stock of Omnicom Group Inc. means the average of the sale prices of the common stock for the five trading days ending on (if the third business day prior to the applicable purchase date is a trading day or, if not, then on the last trading day prior to) the third business day prior to the applicable purchase date, appropriately adjusted to take into account the occurrence, during the period commencing on the first of the trading days during the relevant five trading day period and ending on the purchase date, of certain events that would result in an adjustment of the conversion rate with respect to the common stock.

The "sale price" of the common stock of Omnicom Group Inc. on any date means the closing per share sale price (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on such date as reported in composite

transactions for the principal United States securities exchange on which the common stock is then traded or, if the common stock is not listed on a United States national or regional securities exchange, as reported by the National

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Association of Securities Dealers Automated Quotation System or by the National Quotation Bureau Incorporated or otherwise as provided in the indenture.

Because the market price of Omnicom Group Inc.'s common stock is determined prior to the applicable purchase date, holders of LYONs bear the market risk with respect to the value of such common stock to be received from the date such market price is determined to such purchase date. The issuers may pay the purchase price or any portion of the purchase price in common stock only if the information necessary to calculate the market price is published in a daily newspaper of national circulation.

Upon determination of the actual number of shares of common stock of Omnicom Group Inc. to be issued for each \$1,000 principal amount at maturity of LYONs in accordance with the foregoing provisions, the issuers will promptly notify the holders of LYONs thereof and use their respective reasonable best efforts to post this information on Omnicom Group Inc.'s web site or, at their option, otherwise publicly disclose this information.

In addition to the above conditions, the right of the issuers to purchase LYONs, in whole or in part, with common stock of Omnicom Group Inc. is subject to Omnicom Group Inc. satisfying various conditions, including:

- o listing of such common stock on the principal United States securities exchange on which Omnicom Group Inc.'s common stock is then listed or, if not so listed, on Nasdaq,
- o the registration of the common stock under the Securities Act and the Exchange Act, if required, and
- o any necessary qualification or registration under applicable state securities law or the availability of an exemption from such qualification and registration.

If these conditions are not satisfied with respect to a holder prior to the close of business on the purchase date, the issuers will be required to pay the purchase price of the LYONs to the holder entirely in cash. See "Federal Income Tax Considerations -- Disposition or Conversion" on page 31. The issuers may not change the form or components or percentages of components of consideration to be paid for the LYONs once they have given the notice that they are required to give to holders of LYONs, except as described in the first sentence of this paragraph.

In connection with any purchase offer, the issuers will

- o comply with the provisions of any tender offer rules under the Exchange Act which may then be applicable, and
- o file Schedule TO or any other required schedule under the Exchange Act, if required.

The issuers obligation to pay the purchase price for a LYON for which a purchase notice has been delivered and not validly withdrawn is conditioned upon the holder delivering the LYON, together with necessary endorsements, to the paying agent at any time after delivery of the purchase notice. Payment of the purchase price for the LYON will be made promptly following the later of the purchase date or the time of delivery of the LYON.

If the paying agent holds money or securities sufficient to pay the purchase price of the LYON on the business day following the purchase date in accordance with the terms of the indenture, then, immediately after the purchase date, the LYON will cease to be outstanding and any contingent additional principal that has accrued will cease to accrue, whether or not the LYON is

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delivered to the paying agent. Thereafter, all other rights of the holder shall terminate, other than the right to receive the purchase price upon delivery of the LYON.

The issuers ability to purchase LYONs may be limited by the terms of their then-existing borrowing agreements.

The issuers may not purchase any LYONs for cash at the option of holders if an event of default with respect to the LYONs has occurred and is continuing, other than a default in the payment of the purchase price with respect to such LYONs.

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Purchase at Option of Holders upon Change in Control of Omnicom Group Inc.

In the event of a change in control of Omnicom Group Inc. occurring on or prior to February 7, 2006, each holder will have the right, at the holder's option, subject to the terms and conditions of the indenture, to require the issuers to purchase for cash all or any portion of the holder's LYONs, at a price equal to \$1,000 per LYON. The issuers will be required to purchase the LYONs as of the date that is 35 business days after the occurrence of such change in control. This date is referred to as the "change in control purchase date."

In addition, if at least 90% in aggregate principal amount of the LYONs outstanding immediately prior to the change of control of Omnicom Group Inc. are purchased on the change in control purchase date, the issuers may, within 90 days following the change in control purchase date, at their option, redeem all of the remaining LYONs at a redemption price equal to \$1,000 per LYON.

Within 15 days after the occurrence of a change in control of Omnicom Group Inc., the issuers must mail to the trustee and to all holders of LYONs at their addresses shown in the register of the registrar and to beneficial owners as required by applicable law a notice regarding the change in control, which notice must state:

- o the events causing the change in control of Omnicom Group Inc.
- o the date of the change in control,
- o the last date on which a holder may exercise the purchase right,
- o the change in control purchase price,
- o the change in control purchase date,
- o the name and address of the paying agent and the conversion agent,
- o the conversion rate and any adjustments to the conversion rate,
- o that LYONs with respect to which a change in control purchase notice is given by the holder may be converted, if otherwise convertible, only if the change in control purchase notice has been withdrawn in accordance with the terms of the indenture, and
- o the procedures that holders must follow to exercise these rights.

To exercise this right, the holder must deliver a written notice so as to be received by the paying agent no later than the close of business on the third

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business day prior to the purchase date. The required purchase notice upon a change in control must state:

- o the certificate numbers of the LYONs to be delivered by the holder,
- o the principal amount at maturity of LYONs to be purchased, which will be \$1,000 or an integral multiple of \$1,000, and
- o that the issuers are to purchase such LYONs pursuant to the applicable provisions of the LYONs.

A holder may withdraw any change in control purchase notice by delivering to the paying agent a written notice of withdrawal prior to the close of business on the change in control purchase date. The notice of withdrawal must state:

- o the principal amount at maturity of the LYONs being withdrawn,
- o the certificate numbers of the LYONs being withdrawn, and
- o the principal amount at maturity, if any, of the LYONs that remain subject to a change in control purchase notice.

The issuers' obligation to pay the change in control purchase price for a LYON for which a change in control purchase notice has been delivered and not validly withdrawn is conditioned upon delivery of the LYON, together with necessary endorsements, to the paying agent at any time after the delivery of such change in control purchase notice. Payment of the change in control purchase price for such LYON will be made promptly following the later of the change in control purchase date or the time of delivery of such LYON.

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If the paying agent holds money sufficient to pay the change in control purchase price of the LYON on the change in control purchase date in accordance with the terms of the indenture, then, immediately after the change in control purchase date, whether or not the LYON is delivered to the paying agent, all rights of the holder shall terminate, other than the right to receive the change in control purchase price upon delivery of the LYON.

Under the indenture, a "change in control" of Omnicom Group Inc. is deemed to have occurred at such time as:

- o any person, including its affiliates and associates, other than Omnicom Group Inc., its subsidiaries or their employee benefit plans, files a Schedule 13D or TO (or any successor schedules, forms or reports under the Exchange Act) disclosing that such person has become the beneficial owner of 50% or more of the voting power of Omnicom Group Inc.'s common stock or other capital stock into which Omnicom Group Inc.'s common stock is reclassified or changed, with limited exceptions, or
- o any consolidation, merger or share exchange of Omnicom Group Inc. shall have been consummated pursuant to which the common stock would be converted into cash, securities or other property, in each case other than a consolidation, merger or share exchange of Omnicom Group Inc. in which the holders of its common stock immediately prior to the consolidation, merger or share exchange have, directly or indirectly, at least a majority of the total voting power in the aggregate of all classes of ordinary voting stock of the continuing

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or surviving corporation immediately after the consolidation, merger or share exchange.

The indenture does not permit the issuers' respective boards of directors to waive their respective obligations to purchase LYONs at the option of holders in the event of a change in control.

In connection with any purchase offer in the event of a change in control of Omnicom Group Inc., the issuers will:

- o comply with the provisions of any tender offer rules under the Exchange Act which may then be applicable, and
- o file a Schedule TO or any other required schedule under the Exchange Act, if required.

The change in control purchase feature of the LYONs may in certain circumstances make more difficult or discourage a takeover of Omnicom Group Inc. The change in control purchase feature, however, is not the result of the issuers' knowledge of any specific effort:

- o to accumulate shares of common stock of Omnicom Group Inc.,
- o to obtain control of Omnicom Group Inc. by means of a merger, tender offer, solicitation or otherwise, or
- o part of a plan by management to adopt a series of anti-takeover provisions.

Instead, the change in control purchase feature is a standard term contained in other LYONs offerings that have been marketed by Merrill Lynch. The terms of the change in control purchase feature resulted from negotiations between Merrill Lynch and Omnicom Group Inc.

Omnicom Group Inc. could, in the future, enter into certain transactions, including certain recapitalizations, that would not constitute a change in control with respect to the change in control purchase feature of the LYONs but that would increase the amount of its (or its subsidiaries') outstanding indebtedness. See "Risk Factors Relating to the LYONs -- The Lack of Covenants Applicable to the LYONs May Not Afford Protection Under Some Circumstances" on page 8.

The issuers' may not purchase LYONs at the option of holders upon a change in control of Omnicom Group Inc. if there has occurred and is continuing an event of default with respect to the LYONs, other than a default in the payment of the change in control purchase price with respect to the LYONs.

Events of Default

The following will be events of default for the LYONs

- (1) default in payment of the principal amount at maturity, contingent additional principal, redemption price, purchase price or change in control purchase price with respect to any LYON when such becomes due and payable,
- (2) default in payment of any contingent cash interest, which default continues for 30 days,

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- (3) the issuers' failure to comply with any of their respective other agreements in the LYONs or the indenture upon receipt by them of notice of such default by the trustee or by holders of not less than 25% in aggregate principal amount at maturity of the LYONs then outstanding and their failure to cure (or obtain a waiver of) such default within 60 days after receipt of such notice,
- (4) (A) the issuers' failure to make any payment by the end of any applicable grace period after maturity of their respective indebtedness, which term as used in the indenture means obligations (other than nonrecourse obligations) of the issuers for borrowed money or evidenced by bonds, debentures, notes or similar instruments in an amount (taken together with amounts in (B)) in excess of \$100 million and continuance of such failure, or (B) the acceleration of their respective indebtedness in an amount (taken together with the amounts in (A)) in excess of \$100 million because of a default with respect to such indebtedness without such indebtedness having been discharged or such acceleration having been cured, waived, rescinded or annulled in case of (A) or (B) above, for a period of 30 days after written notice to the issuers by the trustee or to the issuers and the trustee by the holders of not less than 25% in aggregate principal amount at maturity of the LYONs then outstanding; however, if any such failure or acceleration referred to in (A) or (B) above shall cease or be cured, waived, rescinded or annulled, then the event of default by reason thereof shall be deemed not to have occurred, or
- (5) certain events of bankruptcy or insolvency affecting Omnicom Group Inc., Omnicom Capital or certain of Omnicom Group Inc.'s subsidiaries.

If an event of default shall have happened and be continuing, either the trustee or the holders of not less than 25% in aggregate principal amount at maturity of the LYONs then outstanding may declare the issue price of the LYONs, plus any accrued and unpaid contingent cash interest and contingent additional principal through the date of such declaration, to be immediately due and payable. In the case of certain events of bankruptcy or insolvency of Omnicom Group Inc., the issue price of the LYONs plus accrued and unpaid contingent cash interest and contingent additional principal shall automatically become immediately due and payable. The holders of a majority in aggregate principal amount at maturity of the LYONs then outstanding, by notice to the trustee, and without notice to any other holder, may rescind an acceleration and its consequences if:

- o the rescission would not conflict with any judgment or decree;
- o all existing events of default have been cured or waived, except any nonpayment of the initial principal amount at maturity plus accrued and unpaid contingent cash interest and contingent additional principal that have become due solely as a result of acceleration; and
- o all amounts due to the trustee have been paid.

No rescission shall affect any subsequent default or impair any right consequent to the rescission.

In some circumstances the holders of a majority in aggregate principal amount at maturity of the LYONs then outstanding, by notice to the trustee, and without notice to any other holder, may waive an existing default and its consequences. When a default is waived, it is deemed cured, but no waiver will

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extend to any subsequent or other default or impair any consequent right.

The holders of a majority in aggregate principal amount at maturity of the LYONs then outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the trustee or of exercising any trust or power conferred on the trustee. However, the trustee may refuse to follow any direction that conflicts with law or the indenture or that the trustee determines in good faith is unduly prejudicial to the rights of other holders or would involve the trustee in personal liability unless the trustee is offered indemnity satisfactory to it against loss, liability or expense.

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A holder may not pursue any remedy with respect to the indenture or the notes unless:

- o the holder gives the trustee written notice stating that an event of default is continuing;
- o the holders of at least 25% in aggregate principal amount at maturity of the LYONs then outstanding make a written request to the trustee to pursue the remedy;
- o the holder or holders offer to the trustee reasonable security or indemnity satisfactory to the trustee against any loss, liability or expense;
- o the trustee does not comply with the request within 60 days after receipt of such notice, request and offer of security or indemnity; and
- o the holders of a majority in aggregate principal amount at maturity of the LYONs then outstanding do not give the trustee a direction inconsistent with the request during such 60-day period.

A holder may not use the indenture to prejudice the rights of any other holder or to obtain a preference or priority over any other holder.

Under the indenture, the issuers are required to deliver to the trustee, within five business days of becoming aware of the occurrence of an event of default, written notice of the event of default. In addition, the issuers are required to deliver to the trustee written notice of any event which with the giving of notice or the lapse of time, or both, would become an event of default as a result of their failure to comply with any of their other agreements in the LYONs or the indenture upon receipt of notice of such default or the issuers' failure to make any payment by the end of the applicable grace period after maturity of indebtedness, the status of any such event and what action the issuers are taking or propose to take with respect thereto.

If the trustee collects any money as a result of an event of default, it shall pay out the money in the following order:

first: to the trustee for amounts due as compensation, reimbursement or indemnification;

second: to holders for amounts due and unpaid on the LYONs for the principal amount at maturity, initial principal amount at maturity plus contingent additional principal, redemption price, purchase price, change in control purchase price or contingent cash interest, if any, as the case may be, and ratably, without preference or priority of any kind, according

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to such amounts due and payable on the LYONs; and

third: pro rata to the issuers, if any balance remains.

The trustee may fix a record date and payment date for any payment to holders. At least 15 days before such record date, the trustee is required to mail to each holder and to the issuers a notice that states the record date, the payment date and the amount to be paid.

Mergers and Sales of Assets

The indenture provides that the issuers may not consolidate with or merge into any person or convey, transfer or lease their respective properties and assets substantially as an entirety to another person, unless, among other things:

- o the resulting, surviving or transferee person is a corporation organized under the laws of the United States, any state thereof or the District of Columbia and such entity assumes all such issuer's obligations under the LYONs and the indenture, and
- o such issuer or successor entity shall not immediately thereafter be in default under the indenture.

Upon the assumption of such issuer's obligations by such corporation in such circumstances, subject to certain exceptions, the issuers shall be discharged from all obligations under the LYONs and the indenture. Although such transactions are permitted under the indenture, certain of the foregoing transactions occurring on or prior to February 7, 2006 could constitute a change in control of Omnicom Group Inc., permitting holders to require the issuers to purchase their LYONs as described above.

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Modification

The issuers and the trustee may modify or amend the indenture or the LYONs with the consent of the holders of not less than a majority in aggregate principal amount at maturity of the LYONs then outstanding. However, the consent of the holders of each outstanding LYON would be required to:

- o alter the obligation of the issuers to pay contingent cash interest (except that the issuers may increase the amount thereof without the consent of the trustee or the holders),
- o make any LYON payable in money or securities other than that stated in the LYON,
- o alter the stated maturity of any LYON,
- o reduce the principal amount at maturity, contingent additional principal, redemption price, purchase price or change in control purchase price with respect to any LYON,
- o make any change that adversely affects the right of a holder to receive shares of common stock of Omnicom Group Inc. upon surrendering a LYON for conversion,
- o make any change that adversely affects the right to require the issuers to purchase a LYON,

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- o impair the right to institute suit for the enforcement of any payment with respect to, or conversion of, the LYONs, and
- o change the provisions in the indenture that relate to modifying or amending the indenture.

Without the consent of any holder of LYONs, the issuers and the trustee may enter into supplemental indentures for any of the following purposes:

- o to evidence a successor to either of the issuers and the assumption by that successor of such issuer's obligations under the indenture and the LYONs,
- o to add covenants for the benefit of the holders of the LYONs or to surrender any right or power conferred upon the issuers,
- o to secure the issuers' obligations in respect of the LYONs,
- o to make any changes or modifications to the indenture necessary in connection with the registration of the LYONs under the Securities Act and the qualification of the LYONs under the Trust Indenture Act as contemplated by the indenture,
- o to cure any ambiguity or inconsistency in the indenture, or
- o to make any change that does not adversely affect the rights of any holder of the LYONs.

The holders of a majority in aggregate principal amount at maturity of the LYONs then outstanding may, on behalf of the holders of all LYONs:

- o waive compliance by the issuers with restrictive provisions of the indenture, as detailed in the indenture; and
- o waive any past default under the indenture and its consequences, except a default in the payment of the principal amount at maturity, contingent additional principal, redemption price, purchase price, change in control purchase price or obligation to deliver common stock of Omnicom Group Inc. upon conversion with respect to any LYON or in respect of any provision which under the indenture cannot be modified or amended without the consent of the holder of each outstanding LYON affected.

Calculations in Respect of LYONs

The issuers are responsible for making all calculations called for under the LYONs. See "-- Conversion Rights," beginning on page 16. These calculations include, but are not limited to, determination of the market prices of the LYONs and of Omnicom Group Inc.'s common stock, amounts of tax original issue discount, and amounts of contingent cash interest and contingent additional principal, if any, payable on the LYONs. The

issuers will make all these calculations in good faith and, absent manifest error, these calculations will be final and binding on holders of LYONs. The issuers will provide a schedule of their calculations to the trustee, and the trustee is entitled to rely upon the accuracy of their calculations without independent verification.

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Information Concerning the Trustee

JPMorgan Chase Bank is the trustee, registrar, paying agent and conversion agent.

The indenture provides that, except during the continuance of an event of default, the trustee will perform only those duties as are specifically set forth in the indenture. During the existence of an event of default, the trustee is required to exercise the rights and powers vested in it by the indenture, and to use the same degree of care and skill in its exercise of those rights and powers as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

The indenture and the provisions of the Trust Indenture Act contain limitations on the rights of the trustee, should it become a creditor of either of the issuers, to obtain payments of claims in certain cases or to realize on certain property received in respect of any such claim as security or otherwise. Subject to the Trust Indenture Act, the trustee will be permitted to engage in other transactions, provided that if the trustee acquires any conflicting interests, as described in the Trust Indenture Act, the trustee must eliminate the conflict or resign.

The trustee is required to deliver notice of all defaults to the holders within 90 days after the occurrence, unless the defaults shall have been cured before the giving of the notice. However, in the case of a default in the payment of principal of, or interest on, or other similar obligation with respect to, the notes, the trustee may withhold the notice if and so long as the board of directors, the executive committee or a trust committee of directors or trustees and/or responsible officers of the trustee in good faith determines that the withholding of the notice is in the interest of holders of the notes.

A trustee may at any time resign by giving written notice of resignation to the issuers and to the holders. Upon receiving a notice of resignation, the issuers will be required to promptly appoint a successor trustee. If no successor trustee is appointed within 30 days after the mailing of the notice of resignation, the resigning trustee or any holder who has been a bona fide holder of a note for at least six months may, subject to the provisions of the indenture, petition any court of competent jurisdiction for the appoint of a successor trustee.

The issuers may remove a trustee and appoint a successor trustee if:

- o the trustee fails to comply with the provisions relating to any conflict of interest after written request made by the issuers or by any holder who has been a bona fide holder of notes for at least six months;
- o the trustee ceases to be eligible in accordance with the provisions contained in the indenture and the trustee fails to resign after requested to by the issuers or any holder;
- o the trustee becomes incapable of acting or is adjudged a bankrupt or insolvent, or a receiver or liquidator for the trustee or its property is appointed, or any public officer takes charge or control of the trustee or its property or affairs for the purpose of rehabilitation, conservation or liquidation; or
- o the issuers determine that the trustee has failed to perform its obligations under the indenture in any material respect.

If the issuers fail to remove the trustee, any holder who has been a bona

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fide holder of a note for at least six months may petition a court of competent jurisdiction for the removal of the trustee and the appointment of a successor trustee. In addition, the holders of a majority in aggregate principal amount at maturity of the notes outstanding may at any time remove a trustee and appoint a successor trustee by delivering notice to the trustee to be removed, the successor trustee and the issuers. Any resignation or removal of the trustee and any appointment of a successor trustee will become effective upon acceptance of appointment by the successor trustee.

Governing Law

The indenture and the LYONs are governed by, and construed in accordance with, the law of the State of New York.

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Miscellaneous

The issuers or their affiliates may from time to time purchase the securities offered in this prospectus which are then outstanding by tender, in the open market or by private agreement.

DESCRIPTION OF OMNICOM GROUP INC.'S CAPITAL STOCK

The following briefly summarizes the material terms of Omnicom Group Inc.'s capital stock. You should read its certificate of incorporation, a copy of which may be obtained as described under "Where You Can Find More Information," on page 39, for more detailed information that may be important to you.

Omnicom Group Inc. is authorized to issue 1.0 billion shares of common stock, par value \$0.15 per share, of which 190.5 million shares were outstanding on January 30, 2004, and 7.5 million shares of preferred stock at \$1.00 per share, none of which is outstanding.

Each share of common stock of Omnicom Group Inc. entitles the holder to one vote for the election of directors and for all other matters to be voted on by holders of Omnicom Group Inc.'s common stock. Holders of Omnicom Group Inc.'s common stock may not cumulate their votes in the election of directors. All shares of Omnicom Group Inc.'s common stock have equal rights and are entitled to such dividends as may be declared by the board of directors out of funds legally available therefor, but only after payment of dividends required to be paid on any outstanding shares of preferred stock. All shares of Omnicom Group Inc.'s stock share ratably upon liquidation in the assets available for distribution to shareholders after payments to creditors and provision for the preference of any preferred stock. Omnicom Group Inc. is not aware of any restrictions on its present or future ability to pay dividends. However, in connection with certain borrowing facilities entered into by Omnicom Capital and Omnicom Finance, Omnicom Group Inc. is subject to certain covenants requiring that it satisfy certain financial tests in order to pay dividends. The shares of Omnicom Group Inc.'s common stock are not subject to call or assessment, have no preemptive or other subscription rights or conversion rights and cannot be redeemed. Omnicom Group Inc. has have a classified board of directors and its shareholders can remove a director only by an affirmative two-thirds vote of all outstanding voting shares. A two-thirds vote of all outstanding voting shares is also required to amend its by-laws or some of the provisions of its certificate of incorporation and to change the number of directors comprising the full board. The board of directors has power to amend the by-laws or change the number of directors comprising the full board.

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Omnicom Group Inc. may issue preferred stock in series having whatever rights and preferences the board of directors may determine without the approval of its shareholders. One or more series of preferred stock may be made convertible into common stock at rates determined by the board of directors, and preferred stock may be given priority over common stock in payment of dividends, rights on liquidation, voting and other rights.

As of September 30, 2