

Financial Summary for FY2008

(From April 1, 2008 to March 31, 2009)

May 12, 2009
Dentsu Inc.

Consolidated Results

Consolidated Financial Results

(Millions of yen)

	FY2007	FY2008	Change	Against Forecast *
Net sales	2,057,554	1,887,170	-8.3%	+1.1%
Gross profit	345,222	314,474	-8.9%	+2.1%
Gross profit margin	16.8%	16.7%	-0.1 pts	+0.2 pts
Operating income	56,126	43,184	-23.1%	+20.6%
Operating margin	16.3%	13.7%	-2.6 pts	+2.1 pts
Ordinary income	67,993	53,363	-21.5%	+20.7%
Income (loss) before income taxes	63,610	(4,972)	—	—
Net income (loss)	36,246	(20,453)	—	—

*Against Forecast = differences from the forecast for FY2008 announced February 9, 2009

Consolidated Net Sales < 2 >

Breakdown by Geographic Segment

(Millions of yen)

	FY2008	Change	% of Total
Americas	56,817	-13.2%	3.0%
Europe	9,924	-6.1%	0.5%
China	59,903	-0.7%	3.1%
Asia (excl. China)	51,880	-14.2%	2.7%
Eliminations	(115)	—	—
Overseas Total	178,410	-9.3%	9.4%
Japan	1,723,594	-8.2%	90.6%
Total	1,902,005	—	100.0%
Eliminations	(14,834)	—	—
Consolidated Net Sales	1,887,170	-8.3%	—

Consolidated Net Sales < 1 >

Breakdown by Business Segment

	(Millions of yen)	
	FY2008	Change
Advertising	1,801,160	-8.0%
(94.1% of total)		
Information Services	75,148	—
(3.9% of total)		
Other Businesses	38,371	—
(2.0% of total)		
Total	1,914,680	-8.3%
Eliminations	(27,510)	—
Consolidated Net Sales	1,887,170	-8.3%

Key Subsidiaries

	(Millions of yen)	
	FY2008	Change
Advertising		
5 regional Dentsu	110,278	-8.9%
Dentsu Tec (non-consolidated)	146,556	-12.8%
cci (consolidated)	68,232	+31.8%
Dentsu Holdings USA	45,182	-16.6%
Beijing Dentsu	51,946	-0.3%
Information Services		
ISID (consolidated)	75,148	-2.8%

*(1) From FY2008, "Other Businesses" has been separated into "Information Services" and "Other Businesses".

(2) Sales of subsidiaries include internal transactions.

(3) 5 regional Dentsu includes Dentsu East Japan, Dentsu West Japan, Dentsu Kyushu, Dentsu Hokkaido and Dentsu Okinawa.

Consolidated Net Sales < 3 >

Newly Consolidated Subsidiaries Contributing to Net Sales

▪ Newly consolidated subsidiaries	7
▪ Eliminated	10
▪ Consolidated subsidiaries	126 (an decrease of 3 y/y)
▪ Contribution to net sales	¥0.3 billion

Main Newly Consolidated Subsidiaries

【From 1H FY2008】

- Nakahata

【From 2H FY2008】

- &c. Inc.
- Dentsu McGarry Bowen, etc.

Consolidated Operating Income

(Millions of yen)

	FY2007	FY2008	Change
Gross profit	345,222	314,474	-8.9%
Personnel expenses	166,401	162,916	-2.1%
Salaries	141,274	135,566	-4.0%
Others	25,126	27,350	+8.8%
Operating expenses	106,732	91,904	-13.9%
Depreciation and amortization	15,961	16,469	+3.2%
SG&A	289,095	271,290	-6.2%
Operating income	56,126	43,184	-23.1%
Operating margin	16.3%	13.7%	-2.6 pts

Consolidated Ordinary Income and Net Income / Loss

(Millions of yen)

	FY2007	FY2008	Change
Operating income	56,126	43,184	-23.1%
Non-operating income	15,057	14,592	-3.1%
Non-operating expense	3,190	4,413	+38.3%
Net non-operating income	11,867	10,179	-14.2%
Ordinary income	67,993	53,363	-21.5%
Extraordinary income	9,953	1,774	-82.2%
Extraordinary loss	14,336	60,110	+319.3%
Net extraordinary income (loss)	(4,382)	(58,336)	—
Income (loss) before income taxes	63,610	(4,972)	—
Net income (loss)	36,246	(20,453)	—

Consolidated Balance Sheets

(Millions of yen)

	March 31, 2008	March 31, 2009	Change
Current assets	641,002	546,317	-14.8%
Fixed assets	610,909	546,226	-10.6%
Total assets	1,251,912	1,092,543	-12.7%
Current liabilities	527,504	450,075	-14.7%
Long-term liabilities	133,547	169,318	+26.8%
Total liabilities	661,051	619,394	-6.3%
Shareholders' equity	574,243	482,798	-15.9%
Valuation and translation adjustment, etc.	(6,950)	(30,230)	—
Minority interests	23,567	20,581	-12.7%
Total equity	590,861	473,149	-19.9%
Total liabilities and equity	1,251,912	1,092,543	-12.7%

Non-Consolidated Results

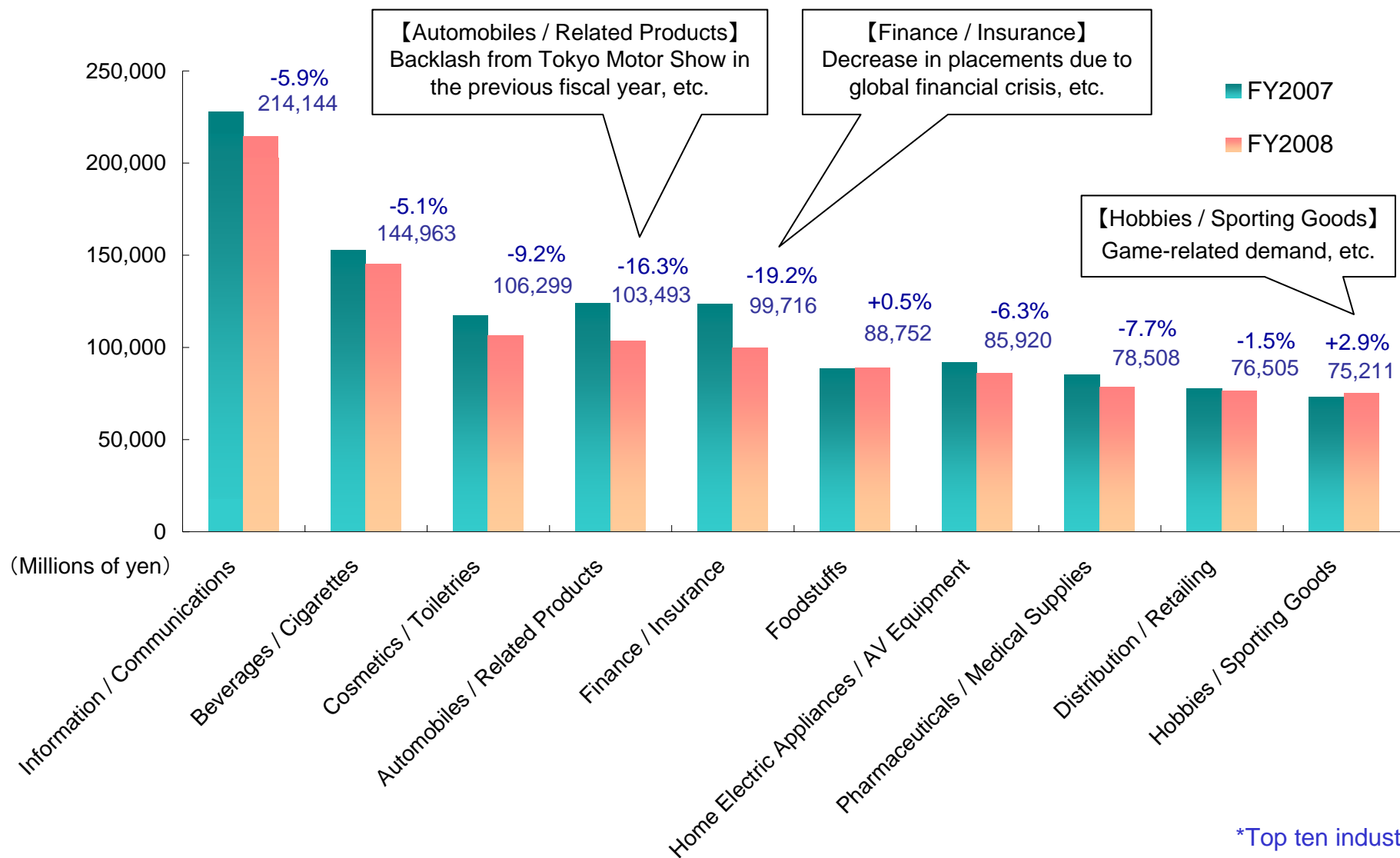
Non-Consolidated Financial Results

(Millions of yen)

	FY2007	FY2008	Change	Against Forecast*
Net sales	1,585,982	1,447,410	-8.7%	+1.4%
Gross profit	216,692	192,716	-11.1%	+2.0%
Gross profit margin	13.7%	13.3%	-0.4 pts	+0.1 pts
Operating income	36,281	23,870	-34.2%	+21.8%
Operating margin	16.7%	12.4%	-4.3 pts	+2.0 pts
Ordinary income	47,341	34,585	-26.9%	+11.9%
Income (loss) before income taxes	38,865	(25,466)	—	—
Net income (loss)	24,533	(32,771)	—	—

*Against Forecast = differences from the forecast for FY2008 announced February 9, 2009

Non-Consolidated Net Sales by Industry



Non-Consolidated Net Sales by Business Category

(Millions of yen)

Business Category	1H FY2008			2H FY2008			FY2008		
	Net sales	Change	% of Total	Net sales	Change	% of Total	Net sales	Change	% of Total
Newspapers	72,656	-14.3%	10.0%	74,110	-23.4%	10.3%	146,766	-19.2%	10.1%
Magazines	30,769	-8.6%	4.2%	29,240	-19.4%	4.1%	60,010	-14.2%	4.1%
Radio	11,222	-7.1%	1.5%	10,791	-7.2%	1.5%	22,014	-7.1%	1.5%
Television	353,129	-3.1%	48.6%	339,863	-8.1%	47.2%	692,992	-5.6%	47.9%
Time	178,306	+3.0%	24.5%	165,124	-5.6%	22.9%	343,431	-1.3%	23.7%
Spot	174,822	-8.6%	24.0%	174,739	-10.4%	24.3%	349,561	-9.5%	24.2%
Interactive Media	12,964	+15.1%	1.8%	13,256	+4.2%	1.8%	26,220	+9.3%	1.8%
OOH Media	23,047	-1.6%	3.2%	19,009	-25.4%	2.6%	42,056	-14.0%	2.9%
Creative	91,091	-7.3%	12.5%	86,346	-14.1%	12.0%	177,438	-10.7%	12.3%
Marketing / Promotion	80,569	+0.1%	11.1%	90,298	-8.4%	12.5%	170,868	-4.6%	11.8%
Content Services	37,699	-33.4%	5.2%	44,405	+1.1%	6.2%	82,104	-18.4%	5.7%
Others	14,010	+20.0%	1.9%	12,927	-5.0%	1.8%	26,938	+6.5%	1.9%
Total	727,160	-6.4%	100.0%	720,250	-11.0%	100.0%	1,447,410	-8.7%	100.0%

Non-Consolidated Operating Income

(Millions of yen)

	FY2007	FY2008	Change
Gross profit	216,692	192,716	-11.1%
Personnel expenses	107,336	101,644	-5.3%
Salaries	90,979	83,465	-8.3%
Others	16,356	18,178	+11.1%
Operating expenses	60,228	54,839	-8.9%
Depreciation and amortization	12,845	12,361	-3.8%
SG&A	180,410	168,845	-6.4%
Operating income	36,281	23,870	-34.2%
Operating margin	16.7%	12.4%	-4.3 pts

Non-Consolidated Ordinary Income and Net Income

(Millions of yen)

	FY2007	FY2008	Change
Operating income	36,281	23,870	-34.2%
Non-operating income	15,379	14,530	-5.5%
Non-operating expense	4,319	3,815	-11.7%
Net non-operating income	11,060	10,714	-3.1%
Ordinary income	47,341	34,585	-26.9%
Extraordinary income	8,920	1,448	-83.8%
Extraordinary loss	17,397	61,499	+253.5%
Net extraordinary income (loss)	(8,476)	(60,051)	—
Income (loss) before income taxes	38,865	(25,466)	—
Net income (loss)	24,533	(32,771)	—

Outlook for Full-Term FY2009

FY2009 Consolidated Results Outlook

	FY2008 Actual	FY2009 Forecast	(Millions of yen) Change
Net sales	1,887,170	1,634,400	-13.4%
Gross profit	314,474	279,800	-11.0%
Gross profit margin	16.7%	17.1%	+0.4 pts
Operating income	43,184	15,800	-63.4%
Operating margin	13.7%	5.6%	-8.1 pts
Ordinary income	53,363	23,900	-55.2%
Income (loss) before income taxes	(4,972)	23,600	—
Net income (loss)	(20,453)	11,400	—

* With regard to forecasts, our forecast assumes equity in profits from an equity-method affiliate, Publicis Groupe S.A. of ¥6,454 million (after excluding ¥2,384 million for the amortization of goodwill), the equivalent amount recorded for the previous year, as Publicis Groupe S.A. does not disclose its performance forecasts for the fiscal year ending December 31, 2009.

The exchange rate used here is 1 euro=¥121.8, the approximate average rate of exchange from January to March 2009.

FY2009 Non-Consolidated Results Outlook

(Millions of yen)

	FY2008 Actual	FY2009 Forecast	Change
Net sales	1,447,410	1,271,400	-12.2%
Gross profit	192,716	169,900	-11.8%
Gross profit margin	13.3%	13.4%	+0.1 pts
Operating income	23,870	10,000	-58.1%
Operating margin	12.4%	5.9%	-6.5 pts
Ordinary income	34,585	17,800	-48.5%
Income (loss) before income taxes	(25,466)	17,800	—
Net income (loss)	(32,771)	10,700	—