

Financial Summary
for the First Quarter of FY2009
(From April 1, 2009 to June 30, 2009)

August 10, 2009
Dentsu Inc.

Cautionary Statement

This document contains forward-looking statements regarding the intent, belief or current expectations of Dentsu Inc. or its management with respect to the results of operations and financial condition of the Dentsu Group. Such forward-looking statements, based on information known to the management as of August 10, 2009, are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors. Unless otherwise stated, the following discussion is based on the Dentsu Group's consolidated financial statements prepared in accordance with Generally Accepted Accounting Principles in Japan.

Consolidated Results

Consolidated Financial Results

(Millions of yen)

	1Q FY2008	1Q FY2009	Change
Net sales	465,731	381,087	-18.2%
Gross profit	73,280	63,164	-13.8%
Gross profit margin	15.7%	16.6%	+0.9 pts
SG&A	68,608	61,802	-9.9%
Operating income	4,671	1,361	-70.9%
Operating margin*	6.4%	2.2%	-4.2 pts
Ordinary income	6,437	2,623	-59.2%
Income before income taxes	6,394	2,209	-65.4%
Net income	1,554	1,913	+23.1%

Note: Excludes equity in earnings of Publicis Groupe.

*Operating margin = Operating income ÷ Gross profit × 100

Consolidated Net Sales < 1 >

Breakdown by Business Segment

(Millions of yen)

	1Q FY2009	Change
Advertising (95.7% of total)	369,943	-17.2%
Information Services (2.9% of total)	11,216	-21.5%
Other Businesses (1.4% of total)	5,342	-49.0%
Total	386,502	-18.0%
Eliminations	(5,414)	—
Consolidated Net Sales	381,087	-18.2%

Key Subsidiaries

(Millions of yen)

	1Q FY2009	Change
Advertising		
5 regional Dentsu	22,327	-19.5%
Dentsu Tec	28,342	-16.2%
cci	11,458	-1.0%
Dentsu Holdings USA	5,561*	-52.6%
Beijing Dentsu	7,733	-7.0%
Information Services		
ISID	11,216*	-21.5%

(1) Sales of subsidiaries include internal transactions.

(2) 5 regional Dentsu includes Dentsu East Japan, Dentsu West Japan, Dentsu Kyushu, Dentsu Hokkaido and Dentsu Okinawa.

* Figures of Dentsu Holdings USA and ISID are their consolidated net sales.

Consolidated Net Sales < 2 >

Breakdown by Geographic Segment

(Millions of yen)

	1Q FY2009	Change	% of Total
Americas	6,184	-56.5%	1.6%
Europe	1,341	-35.5%	0.4%
China	8,982	-15.1%	2.3%
Asia (excl. China)	7,306	-41.1%	1.9%
Eliminations	(19)	—	—
Overseas Total	23,795	-39.4%	6.2%
Japan	358,987	-16.2%	93.8%
Total	382,783	—	100.0%
Eliminations	(1,695)	—	—
Consolidated Net Sales	381,087	-18.2%	—

Consolidated Operating Income

(Millions of yen)

	1Q FY2008	1Q FY2009	Change
Gross profit	73,280	63,164	-13.8%
Personnel expenses	40,585	38,480	-5.2%
Salaries	33,630	31,311	-6.9%
Others	6,954	7,168	+3.1%
Operating expenses	24,081	19,433	-19.3%
Depreciation and amortization	3,941	3,888	-1.3%
SG&A	68,608	61,802	-9.9%
Operating income	4,671	1,361	-70.9%
Operating margin	6.4%	2.2%	-4.2 ppts

Consolidated Ordinary Income and Net Income

(Millions of yen)

	1Q FY2008	1Q FY2009	Change
Operating income	4,671	1,361	-70.9%
Non-operating income	2,525	2,061	-18.4%
Non-operating expense	759	799	+5.3%
Net non-operating income	1,765	1,262	-28.5%
Ordinary income	6,437	2,623	-59.2%
Extraordinary income	197	126	-35.9%
Extraordinary loss	239	540	+125.4%
Net extraordinary income (loss)	(42)	(414)	—
Income before income taxes	6,394	2,209	-65.4%
Income Taxes	4,881	919	-81.2%
Minority interests (loss)	(41)	(623)	—
Net income	1,554	1,913	+23.1%

Note: Excludes equity in earnings of Publicis Groupe.

Non-Consolidated Results

Non-Consolidated Financial Results

(Millions of yen)

	1Q FY2008	1Q FY2009	Change
Net sales	365,886	306,674	-16.2%
Gross profit	46,894	40,816	-13.0%
Gross profit margin	12.8%	13.3%	+0.5 pts
SG&A	42,439	37,004	-12.8%
Operating income	4,455	3,812	-14.4%
Operating margin	9.5%	9.3%	-0.2 pts
Ordinary income	12,657	10,327	-18.4%
Income before income taxes	11,825	10,257	-13.3%
Net income	7,841	8,579	+9.4%

Non-Consolidated Net Sales by Business Category

(Millions of yen)

Business Category	1Q FY2008	1Q FY2009	Change	% of Total
Newspapers	36,740	27,197	-26.0%	8.9%
Magazines	15,247	10,310	-32.4%	3.4%
Radio	5,487	4,775	-13.0%	1.6%
Television	182,312	153,787	-15.6%	50.1%
Time	83,673	70,083	-16.2%	22.9%
Spot	98,638	83,704	-15.1%	27.3%
Interactive Media	6,103	6,110	+0.1%	2.0%
OOH Media	12,739	11,485	-9.8%	3.7%
Creative	44,887	39,003	-13.1%	12.7%
Marketing / Promotion	38,277	32,743	-14.5%	10.7%
Content Services	17,690	16,293	-7.9%	5.3%
Others	6,399	4,967	-22.4%	1.6%
Total	365,886	306,674	-16.2%	100.0%

Non-Consolidated Net Sales by Industry

(Millions of yen)

Industry	1Q FY2008	1Q FY2009	Change	% of Total
Information / Communications	51,413	42,029	-18.3%	13.7%
Beverages / Cigarettes	43,509	38,363	-11.8%	12.5%
Cosmetics / Toiletries	29,089	25,726	-11.6%	8.4%
Foodstuffs	24,689	23,094	-6.5%	7.5%
Pharmaceuticals / Medical Supplies	21,023	19,695	-6.3%	6.4%
Finance / Insurance	25,039	18,798	-24.9%	6.1%
Hobbies / Sporting Goods	19,205	17,615	-8.3%	5.7%
Distribution / Retailing	18,063	17,457	-3.4%	5.7%
Automobiles / Related Products	25,227	15,545	-38.4%	5.1%
Food Service / Other Services	18,162	15,436	-15.0%	5.0%
Others	90,461	72,912	-19.4%	23.8%
Total	365,886	306,674	-16.2%	100.0%

Non-Consolidated Operating Income

(Millions of yen)

	1Q FY2008	1Q FY2009	Change
Gross profit	46,894	40,816	-13.0%
Personnel expenses	25,247	23,512	-6.9%
Salaries	20,443	18,616	-8.9%
Others	4,803	4,896	+1.9%
Operating expenses	14,140	10,826	-23.4%
Depreciation and amortization	3,050	2,664	-12.7%
SG&A	42,439	37,004	-12.8%
Operating income	4,455	3,812	-14.4%
Operating margin	9.5%	9.3%	-0.2 ppts

Non-Consolidated Ordinary Income and Net Income

(Millions of yen)

	1Q FY2008	1Q FY2009	Change
Operating income	4,455	3,812	-14.4%
Non-operating income	9,673	7,244	-25.1%
Non-operating expense	1,471	729	-50.4%
Net non-operating income	8,201	6,515	-20.6%
Ordinary income	12,657	10,327	-18.4%
Extraordinary income	151	120	-20.4%
Extraordinary loss	983	191	-80.5%
Net extraordinary income (loss)	(831)	(70)	—
Income before income taxes	11,825	10,257	-13.3%
Income Taxes	3,983	1,677	-57.9%
Net income	7,841	8,579	+9.4%

Outlook for Full-Term FY2009

FY2009 Consolidated Results Outlook

(Millions of yen)

	FY2008 Actual	FY2009 Forecast	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
SG&A	271,290	264,000	-2.7%
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 earnings from an equity-method affiliate, Publicis Groupe of ¥6,454 million (after excluding ¥2,384 million for the amortization of goodwill), the equivalent amount recorded for its fiscal year ended December 31, 2008, as Publicis Groupe does not disclose its performance forecasts for the current fiscal year. The exchange rate used here is 1euro=¥121.8, the approximate average rate of exchange from January to March 2009.

* We have not revised the forecast announced on May 11, 2009, for financial results for the fiscal year ending March 31, 2010.

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%	+0.1ppts
SG&A	168,845	159,900	-5.3%
Operating income	23,870	10,000	-58.1%
Operating margin	12.4%	5.9%	-6.5ppts
Ordinary income	34,585	17,800	-48.5%
Income (loss) before income taxes	(25,466)	17,800	—
Net income (loss)	(32,771)	10,700	—

* We have not revised the forecast announced on May 11, 2009, for financial results for the fiscal year ending March 31, 2010.