

Operating Highlights

Dentsu Inc. and Consolidated Subsidiaries

Years Ended March 31

	Millions of yen except per share data					Thousands of U.S. dollars ⁽¹⁾ except per share data
	2007	2006	2005	2004	2003	2007
For the year:						
Net sales	¥2,093,976	¥1,963,296	¥1,910,469	¥1,749,110	¥1,692,947	\$ 17,738,048
Cost of sales	1,745,584	1,637,400	1,592,566	1,455,065	1,407,131	14,786,827
Gross profit	348,391	325,896	317,902	294,044	285,815	2,951,221
Selling, general and administrative expenses	285,556	267,120	260,299	247,356	238,815	2,418,947
Operating income	62,834	58,776	57,603	46,687	46,999	532,273
Income before income taxes and minority interests	60,712	65,103	54,929	58,763	50,068	514,292
Net income	30,688	31,002	27,532	30,881	22,963	259,959
Net cash provided by (used in) operating activities	41,962	81,058	14,681	35,829	(3,916)	355,467
Net cash provided by (used in) investing activities	(52,003)	(31,238)	(8,289)	9,881	(80,122)	(440,522)
Net cash provided by (used in) financing activities	(9,779)	(42,668)	1,006	(51,508)	81,554	(82,844)
Cash and cash equivalents, end of year	62,015	78,412	69,901	62,384	68,139	525,331
At year-end:						
Total assets	¥1,268,049	¥1,277,722	¥1,240,037	¥1,189,094	¥1,187,300	\$ 10,741,634
Total shareholders' equity	554,760	521,180	491,855	469,621	442,093	4,888,151
Per share data (yen/dollar):						
Net income ⁽²⁾						
Basic	¥11,193.17	¥11,300.31	¥10,110.45	¥22,682.94	¥16,466.55	\$ 94.81
Diluted	10,878.56	11,159.97	9,931.97	22,581.77	16,451.08	92.15
Cash dividends	3,000	2,500	1,500	1,000	1,000	25.41
Ratios (%):						
Operating margin ⁽³⁾	18.0	18.0	18.1	15.9	16.4	—
Return on equity (ROE) ⁽⁴⁾	5.7	6.1	5.7	6.8	5.2	—
Return on assets (ROA) ⁽⁵⁾	4.9	4.7	4.7	3.9	4.1	—
Equity ratio ⁽⁶⁾	43.7	40.8	39.7	39.5	37.2	—
Dividend payout ratio ⁽⁷⁾	26.8	22.1	14.8	4.4	6.1	—

Notes: (1) U.S. dollar amounts have been translated from yen at the rate of ¥118.05 = US\$1, the approximate exchange rate prevailing on the Tokyo Foreign Exchange Market on March 31, 2007.

(2) A two-for-one stock split was enacted for common shares, effective May 20, 2004.

Net income per share and diluted net income per share for the fiscal year ended March 31, 2005, have been calculated as if the stock split had occurred at the beginning of the fiscal year.

(3) Operating margin = operating income ÷ gross profit × 100

(4) ROE = net income ÷ average total shareholders' equity based on total shareholders' equity at the beginning and end of the fiscal year × 100

(5) ROA = operating income ÷ average total assets based on total assets at the beginning and end of the fiscal year × 100

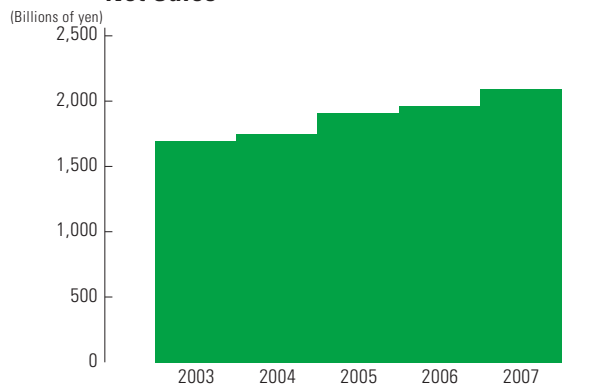
(6) Equity ratio = total shareholders' equity ÷ total assets × 100

(7) Dividend payout ratio = cash dividend per share ÷ net income per share × 100

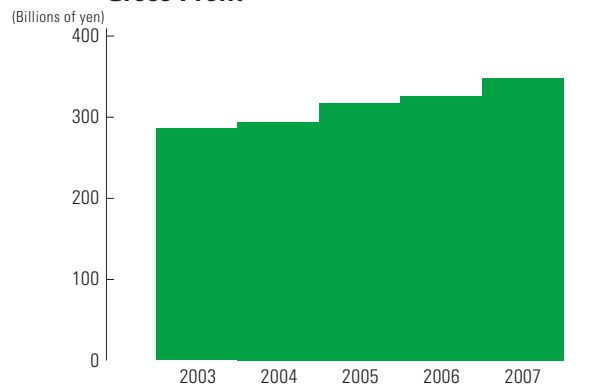
Financial Highlights (Consolidated)

(Years Ended March 31)

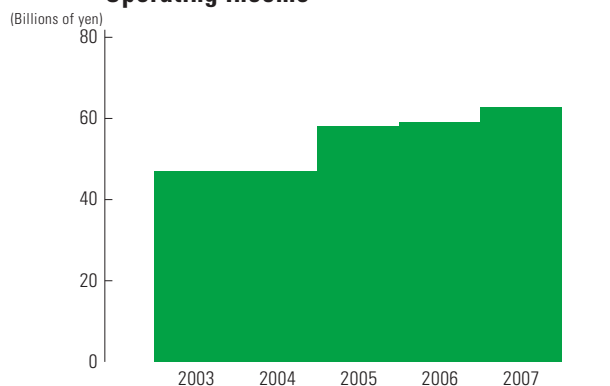
Net Sales



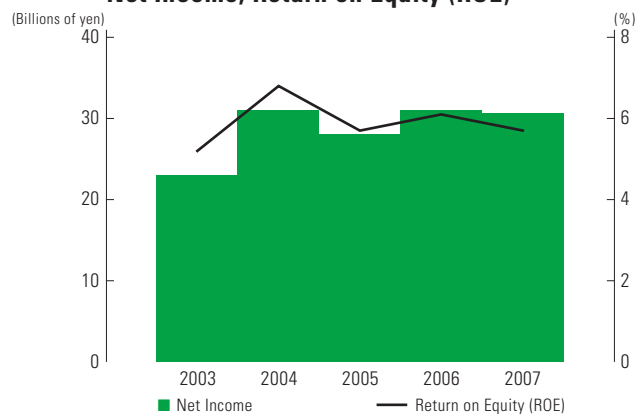
Gross Profit



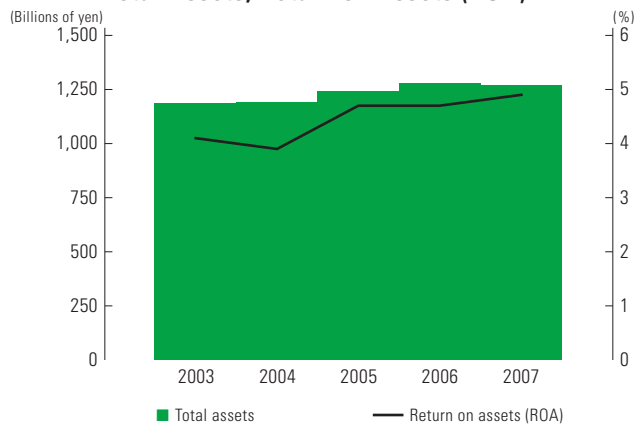
Operating Income



Net Income, Return on Equity (ROE)



Total Assets, Return on Assets (ROA)



Total Shareholders' Equity, Equity Ratio

