

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
	2008	2007	2006	2005	2004	2008
For the year:						
Net sales	¥2,057,554	¥2,093,976	¥1,963,296	¥1,910,469	¥1,749,110	\$20,536,524
Cost of sales	1,712,332	1,745,584	1,637,400	1,592,566	1,455,065	17,090,847
Gross profit	345,222	348,391	325,896	317,902	294,044	3,445,676
Selling, general and administrative expenses	289,095	285,556	267,120	260,299	247,356	2,885,472
Operating income	56,126	62,834	58,776	57,603	46,687	560,204
Income before income taxes and minority interests	63,610	60,712	65,103	54,929	58,763	634,903
Net income	36,246	30,688	31,002	27,532	30,881	361,781
Net cash provided by (used in) operating activities	56,007	41,962	81,058	14,681	35,829	559,015
Net cash provided by (used in) investing activities	(18,069)	(52,003)	(31,238)	(8,289)	9,881	(180,357)
Net cash provided by (used in) financing activities	(30,701)	(9,779)	(42,668)	1,006	(51,508)	(306,431)
Cash and cash equivalents, end of year	70,252	62,015	78,412	69,901	62,384	701,194
At year-end:						
Total assets	¥1,251,912	¥1,268,049	¥1,277,722	¥1,240,037	¥1,189,094	\$12,495,385
Total shareholders' equity	567,293	554,760	521,180	491,855	469,621	5,662,176
Per share data (yen/dollar):						
Net income ⁽²⁾						
Basic	¥13,202.77	¥11,193.17	¥11,300.31	¥10,110.45	¥22,682.94	\$ 131.78
Diluted	12,804.73	10,878.56	11,159.97	9,931.97	22,581.77	127.80
Cash dividends	3,500	3,000	2,500	1,500	1,000	34.93
Ratios (%):						
Operating margin ⁽³⁾	16.3	18.0	18.0	18.1	15.9	—
Return on equity (ROE) ⁽⁴⁾	6.5	5.7	6.1	5.7	6.8	—
Return on assets (ROA) ⁽⁵⁾	4.5	4.9	4.7	4.7	3.9	—
Equity ratio ⁽⁶⁾	45.3	43.7	40.8	39.7	39.5	—
Dividend payout ratio ⁽⁷⁾	26.5	26.8	22.1	14.8	4.4	—

Notes: (1) U.S. dollar amounts have been translated from yen at the rate of ¥100.19 = US\$1, the approximate exchange rate prevailing on the Tokyo Foreign Exchange Market on March 31, 2008. (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

(Years Ended March 31)

