

NEWS RELEASE**FOR IMMEDIATE RELEASE****August 22, 2005****Summary of Financial Results
for the First Quarter Ended June 30, 2005***- Consolidated and Non-Consolidated Results -*

Name of Company Listed: Dentsu Inc.

Code Number: 4324

Stock Exchange Listing: First Section of the Tokyo Stock Exchange

URL: <http://www.dentsu.co.jp/>

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Summary of Consolidated Financial Results for the First Quarter Ended June 30, 2005

1. Summary of Financial Results for the First Quarter Ended June 30, 2005 (from April 1, 2005 to June 30, 2005)

Consolidated Financial Results

(Millions of Yen: Rounded down to the nearest one million yen)

| | First quarter ended June 30, 2005 | Change (%) | First quarter ended June 30, 2004 | Change (%) | (Reference) Fiscal year ended March 31, 2005 | Change (%) |
|------------------|---|---------------|---|---------------|---|---------------|
| Net sales | 455,470 | + 0.6 | 452,939 | + 12.1 | 1,910,469 | + 9.2 |
| Gross Profit | 73,794 | + 2.5 | 72,022 | + 9.7 | 317,902 | + 8.1 |
| Operating income | 9,043 | - 11.2 | 10,183 | + 90.3 | 57,603 | + 23.4 |

Note: Percentages indicate rate of increase or decrease compared with the same period of the previous fiscal year.

Qualitative Information on Progress of Consolidated Financial Results

- For the first quarter, the recovery of the Japanese economy leveled off, and uncertainty regarding the future continued.
- Under these circumstances, with competition intensifying among advertising companies, the Dentsu Group pursued aggressive business expansion.
- As a result, for the first quarter the parent company posted its second consecutive quarterly increase in non-consolidated net sales, to 376,521 million yen, an increase of 1.4% year-on-year and the highest ever recorded. The Dentsu Group as a whole maintained stable results with leadership from its internet business activities and others, posting consolidated billings (net sales) for the first quarter of 455,470 million yen, an increase of 0.6% year-on-year.
- Gross profit of 73,794 million yen, an increase of 2.5% year-on-year, was posted, yielding a gross profit margin of 16.2%, up 0.3% from the 15.9% recorded in the same period of the previous fiscal year.
- Although subsidiaries made substantial progress in controlling selling, general and administrative expenses, such expenses nonetheless increased 4.7% year-on-year, due to the effect of variation from the previous quarterly provision for bonuses under the performance-based remuneration system of the parent company and an increase in human resources under the personnel plan. Such change, however, is within the range predicted at the beginning of the fiscal year.
- As a result, operating income of 9,043 million yen was posted, a decrease of 11.2% year-on-year.
- Since one of its affiliated companies accounted for by the equity method does not compile its accounts on a quarterly basis, Dentsu has restricted its disclosure of consolidated financial results to statement of income items through operating income.

- Changes in consolidated subsidiaries for the first quarter comprise three new consolidations and no reductions, and the number of consolidated subsidiaries is now 106.

2. Segment Information

Business Segments

First Quarter Ended June 30, 2005 (from April 1, 2005 to June 30, 2005)

| | (Millions of Yen) | | | | |
|-------------------------|-------------------|----------------|---------|--------------|-------------------------|
| | Advertising | Other business | Total | Eliminations | Total (consolidated) |
| Net sales | 437,053 | 24,515 | 461,569 | -6,099 | 455,470 |
| Operating expenses | 427,488 | 26,036 | 453,525 | -7,098 | 446,426 |
| Operating income (loss) | 9,565 | (1,520) | 8,044 | 999 | 9,043 |

First Quarter Ended June 30, 2004 (from April 1, 2004 to June 30, 2004)

| | (Millions of Yen) | | | | |
|-------------------------|-------------------|----------------|---------|--------------|-------------------------|
| | Advertising | Other business | Total | Eliminations | Total (consolidated) |
| Net sales | 432,187 | 27,710 | 459,898 | -6,958 | 452,939 |
| Operating expenses | 422,596 | 27,905 | 450,502 | -7,746 | 442,755 |
| Operating income (loss) | 9,590 | (194) | 9,396 | 787 | 10,183 |

Geographic Segments

First Quarter Ended June 30, 2005 (from April 1, 2005 to June 30, 2005)

| | (Millions of Yen) | | | | |
|-------------------------|-------------------|-----------------|---------|--------------|-------------------------|
| | Japan | Other countries | Total | Eliminations | Total (consolidated) |
| Net sales | 432,361 | 25,114 | 457,476 | -2,006 | 455,470 |
| Operating expenses | 423,319 | 25,149 | 448,469 | -2,043 | 446,426 |
| Operating income (loss) | 9,042 | (35) | 9,006 | 37 | 9,043 |

First Quarter Ended June 30, 2004 (from April 1, 2004 to June 30, 2004)

| | (Millions of Yen) | | | | |
|-------------------------|-------------------|-----------------|---------|--------------|-------------------------|
| | Japan | Other countries | Total | Eliminations | Total (consolidated) |
| Net sales | 428,499 | 26,153 | 454,652 | -1,713 | 452,939 |
| Operating expenses | 417,801 | 26,671 | 444,472 | -1,716 | 442,755 |
| Operating income (loss) | 10,698 | (517) | 10,180 | 3 | 10,183 |

(Reference) Outlook for Consolidated Financial Results for the Fiscal Year Ending March 31, 2006 (from April 1, 2005 to March 31, 2006)

| | (Millions of Yen) | |
|-----------------|-------------------|------------------|
| | Interim period | Full fiscal year |
| Net sales | 946,479 | 1,959,106 |
| Ordinary income | 21,748 | 59,299 |
| Net income | 11,236 | 30,724 |

*Outlook for net income per share (full fiscal year): 11,398.87 Yen

Note: The outlook for financial results has been compiled based on certain conditions which Dentsu deems reasonable at this time; actual financial results may differ due to various factors.

Qualitative Information on Outlook for Financial Results

No revision has been made to the outlook for consolidated financial results announced on May 17, 2005.

Summary of Non-Consolidated Financial Results for the First Quarter Ended June 30, 2005

1. Matters Pertaining to Preparation of Financial Results for the First Quarter Ended June 30, 2005

a. Application/Absence under the accounting policies of simplified methods: Applied
In calculating income tax expenses, a simplified accounting method is applied.

b. Any changes in accounting policies from previous accounting year: None

2. Summary of Financial Results for the First Quarter Ended June 30, 2005 (from April 1, 2005 to June 30, 2005)

(1) Non-Consolidated Financial Results

(Millions of Yen: Rounded down to the nearest one million yen)

| | First quarter ended June 30, 2005 | Change (%) | First quarter ended June 30, 2004 | Change (%) | (Reference) | |
|------------------|---|---------------|---|---------------|--|---------------|
| | | | | | Fiscal year ended March 31, 2005 | Change (%) |
| Net sales | 376,521 | + 1.4 | 371,274 | + 10.3 | 1,531,939 | + 9.2 |
| Operating income | 8,174 | - 15.7 | 9,694 | + 40.9 | 41,717 | + 19.3 |
| Ordinary income | 12,580 | - 10.1 | 13,995 | + 39.4 | 49,261 | + 22.4 |
| Net income | 7,406 | - 3.4 | 7,664 | + 46.3 | 26,321 | - 12.0 |

Note: Percentages indicate rate of increase or decrease compared with the same period of the previous fiscal year.

(Yen)

| | First quarter ended June 30, 2005 | First quarter ended June 30, 2004 | (Reference) |
|----------------------|---|---|--|
| | | | Fiscal year ended March 31, 2005 |
| Net income per share | | | |
| Basic | 2,748.02 | 2,843.73 | 9,748.28 |
| Diluted | 2,746.15 | 2,840.83 | 9,740.55 |

(Reference) Increase or Decrease in Net Sales by Industry for the First Quarter Ended June 30, 2005 for Top Ten Industries. (non-consolidated)

Industries showing increase

Finance/Insurance (+31.1% year-on-year), Foodstuffs (+0.8%),
Pharmaceuticals /Medical Supplies (+4.1%), Distribution/Retailing (+15.4%),
Transportation/Leisure (+4.2%)

Industries showing decrease

Beverages/Cigarettes (-4.6%), Information/Communications (-4.8%),
Cosmetics /Toiletries (-4.7%), Automobiles/Related Products (-13.0%),
Home Electric Appliances/AV Equipment (-2.8%)

(Reference) Non-Consolidated Net Sales by Business Category for the First Quarter Ended
June 30, 2005

| Category | (Millions of Yen) | |
|---------------------|--------------------------------------|-----------|
| | First quarter ended June 30, 2005 | |
| | Net sales | Change(%) |
| Newspapers | 45,047 | - 7.2 |
| Magazines | 16,865 | - 1.6 |
| Radio | 6,392 | - 1.2 |
| Television | 195,647 | + 0.4 |
| Time | 82,865 | - 1.2 |
| Spot | 112,781 | + 1.5 |
| Interactive Media | 3,910 | + 67.6 |
| OOH Media | 10,024 | + 3.8 |
| Creative | 38,595 | - 3.5 |
| Marketing/Promotion | 34,028 | + 3.2 |
| Others | 26,009 | + 35.5 |

Note 1: The total amount may not equal the sum of subtotals, as sales figures have had amounts of less than one million yen truncated.

Note 2: Television includes both time (program sponsorship) and spot advertising.

Note 3: OOH (Out Of Home) Media consists of transit advertising, outdoor advertising, etc.

Note 4: Interactive Media consists of internet and mobile related media.

Note 5: Others includes Satellite and Other Media, Media Planning, Sports Marketing, Entertainment Business and Other Content.

Note 6: Percentages indicate rate of increase or decrease compared with the same period of the previous fiscal year.

(2) Non-Consolidated Financial Position

| | (Millions of Yen) | | |
|--------------------------------------|-------------------|---------------|-------------------------|
| | As of | As of | (Reference) |
| | June 30, 2005 | June 30, 2004 | As of March 31, 2005 |
| Total assets | 1,090,153 | 1,070,933 | 1,105,635 |
| Total stockholders' equity | 451,024 | 432,669 | 448,276 |
| Stockholders' equity ratio (%) | 41.4 | 40.4 | 40.5 |
| Stockholders' equity per share (Yen) | 167,333.95 | 160,524.01 | 166,297.19 |

(Reference) Outlook for Non-Consolidated Financial Results for the Fiscal Year Ending
March 31, 2006 (from April 1, 2005 to March 31, 2006)

| | (Millions of Yen) | |
|-----------------|-------------------|------------------|
| | Interim period | Full fiscal year |
| Net sales | 776,895 | 1,582,849 |
| Ordinary income | 23,119 | 46,775 |
| Net income | 14,561 | 28,362 |

*Outlook for net income per share (full fiscal year): 10,522.54 Yen

Note: The outlook for financial results has been compiled based on certain conditions which Dentsu deems reasonable at this time; actual financial results may differ due to various factors.

Qualitative Information on Outlook for Financial Results

No revision has been made to the outlook for non-consolidated financial results announced on May 17, 2005.

Summary of Non-Consolidated Balance Sheets

| | (Millions of Yen) | | |
|---|------------------------|------------------------|--|
| | As of June 30, 2005 | As of June 30, 2004 | (Reference) As of March 31, 2005 |
| ASSETS | | | |
| Current assets | 537,443 | 506,479 | 548,320 |
| Fixed assets | 552,710 | 564,454 | 557,314 |
| Total assets | 1,090,153 | 1,070,933 | 1,105,635 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | |
| Liabilities: | | | |
| Current liabilities | 479,061 | 459,235 | 495,818 |
| Long-term liabilities | 160,067 | 179,028 | 161,540 |
| Total liabilities | 639,129 | 638,263 | 657,359 |
| Stockholders' equity: | | | |
| Total stockholders' equity | 451,024 | 432,669 | 448,276 |
| Total liabilities and stockholders' equity | 1,090,153 | 1,070,933 | 1,105,635 |

Summary of Non-Consolidated Statement of Income

| | (Millions of Yen) | | |
|--|---|---|--|
| | First quarter ended June 30, 2005 | First quarter ended June 30, 2004 | (Reference) Fiscal year ended March 31, 2005 |
| Net sales | 376,521 | 371,274 | 1,531,939 |
| Cost of Sales | 325,557 | 320,906 | 1,318,289 |
| Gross profit | 50,963 | 50,367 | 213,649 |
| Selling, general and administrative expenses | 42,788 | 40,673 | 171,932 |
| Operating income | 8,174 | 9,694 | 41,717 |
| Other income | 4,985 | 5,002 | 10,229 |
| Other expense | 579 | 701 | 2,685 |
| Ordinary income | 12,580 | 13,995 | 49,261 |
| Extraordinary income | 155 | 61 | 2,358 |
| Extraordinary loss | 412 | 586 | 4,887 |
| Income before income taxes | 12,323 | 13,470 | 46,732 |
| Income tax expenses | 4,916 | 5,805 | 20,411 |
| Net income | 7,406 | 7,664 | 26,321 |