

**NEWS RELEASE****FOR IMMEDIATE RELEASE****August 20, 2007****Summary of Financial Results  
for the First Quarter Ended June 30, 2007***— Consolidated and Non-Consolidated Results —*

Name of Company Listed: Dentsu Inc.

Code Number: 4324

Stock Exchange Listing: First Section of the Tokyo Stock Exchange

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## Summary of Financial Results for the First Quarter Ended June 30, 2007

### 1. Summary of Consolidated Financial Results for the First Quarter Ended June 30, 2007 (from April 1, 2007 to June 30, 2007)

#### (1) Consolidated Financial Results

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

(Percentages indicate rate of increase or decrease compared with the same quarter of the previous fiscal year.)

	Net sales	Operating income	Ordinary income	Net income
First quarter ended June 30, 2007	¥474,928 (-2.0%)	¥7,537 (-32.3%)	¥9,524 (—)	¥2,238 (—)
First quarter ended June 30, 2006	¥484,798 (6.4%)	¥11,129 (23.1%)	—	—
Fiscal Year ended March 31, 2007	¥2,093,976 (—)	¥62,834 (—)	¥70,044 (—)	¥30,688 (—)

(Yen)

	Net income per share (Basic)	Net income per share (Diluted)
First quarter ended June 30, 2007	¥815.72	¥810.78
First quarter ended June 30, 2006	—	—
Fiscal Year ended March 31, 2007	¥11,193.17	¥10,878.56

Note: Since Publicis Groupe S.A., an affiliated company accounted for by the equity method, does not compile its accounts on a quarterly basis, the financial results for the first quarter ended June 30, 2007 do not take into account Dentsu's share of net income of Publicis Groupe S.A.

#### (2) Consolidated Financial Conditions

(Millions of Yen, except percentages and Equity per share figures)

	Total assets	Total Equity	Total shareholders' equity ratio*	Equity per share (Yen)
First quarter ended June 30, 2007	¥1,227,327	¥577,414	45.2%	¥202,241.91
First quarter ended June 30, 2006	—	—	—	—
Fiscal Year ended March 31, 2007	¥1,268,049	¥577,046	43.7%	¥202,188.02

\* Total shareholders' equity is calculated as total net assets - stock options - minority interests.

### 2. Dividends

(Yen)

(Record date)	Cash dividend per share		
	Interim	Year-end	Full-year
Dividend paid for the Fiscal Year ended March 31, 2007	¥1,500.00	¥1,500.00	¥3,000.00
Dividend forecast for the Fiscal Year ending March 31, 2008	¥1,750.00	¥1,750.00	¥3,500.00

**3. *Forecast of Consolidated Financial Results for the Fiscal Year ending March 31, 2008 (from April 1, 2007 through March 31, 2008)***

No revision has been made to the outlook for consolidated financial results.

**4. *Others***

- (1) Changes in significant consolidated subsidiaries for the first quarter (change in specified subsidiaries involving changes in the scope of consolidation):  
None
- (2) Application/absence under the accounting policies of simplified methods:  
Applied
- (3) Changes in accounting policies from the most recent consolidated accounting year: None

*Please refer to "4. Others" of "Qualitative Information and Financial Statements" (page 6) for details.*

(Reference) Outline of Non-Consolidated Financial Results

**1. Summary of Non-Consolidated Financial Results for the First Quarter Ended June 30, 2007 (from April 1, 2007 to June 30, 2007)**

(1) Non-Consolidated Financial Results

(Millions of Yen : Rounded down to the nearest one million yen)  
(Percentages indicate rate of increase or decrease compared with the same quarter of the previous fiscal year.)

	Net sales	Operating income	Ordinary income	Net income
First quarter ended June 30, 2007	¥379,250 (-4.2)	¥7,370 (-35.5)	¥15,959 (-8.1)	¥9,191 (-11.8)
First quarter ended June 30, 2006	¥395,765 (5.1)	¥11,430 (39.8)	¥17,373 (38.1)	¥10,425 (40.8)
Fiscal Year ended March 31, 2007	¥1,602,062 (—)	¥38,496 (—)	¥47,746 (—)	¥22,243 (—)

(Yen)

	Net income per share (Basic)	Net income per share (Diluted)
First quarter ended June 30, 2007	¥3,348.67	¥3,346.82
First quarter ended June 30, 2006	¥3,801.24	¥3,796.33
Fiscal Year ended March 31, 2007	¥8,111.36	¥8,103.44

(2) Non-Consolidated Financial Conditions

(Millions of Yen, except percentages and Equity per share figures)

	Total assets	Total Equity	Total shareholders' equity ratio *	Equity per share (Yen)
First quarter ended June 30, 2007	¥1,113,150	¥494,230	44.4 %	¥180,024.13
First quarter ended June 30, 2006	¥1,103,997	¥477,706	43.3 %	¥174,280.36
Fiscal Year ended March 31, 2007	¥1,135,805	¥487,345	42.9 %	¥177,618.08

\* Total shareholders' equity is calculated as total net assets - stock options - minority interests.

**2. Forecast of Non-Consolidated Financial Results for the Fiscal Year ending March 31, 2008 (from April 1, 2007 through March 31, 2008)**

No revision has been made to the outlook for consolidated financial results.

\* Since the outlook for financial results has been prepared based on certain conditions which we deem reasonable at this time, actual financial results may be substantially different from the outlook due to various factors.

## Qualitative Information and Financial Statements

### 1. Qualitative Information on Consolidated Financial Results

For the first quarter ended June 30, 2007, despite continuing high prices for crude oil, a slowing in the U.S. economy, concern over rising interest rates and uncertainty regarding the future of the Japanese economy, mild economic expansion has continued due to increased capital expenditures and an improvement in the employment environment reflecting a recovery in corporate profits.

Under these circumstances, the Dentsu Group focused on providing effective and efficient "one-stop solutions" to clients and pursued aggressive sales efforts and business activities. This, however, was not enough to cover the negative effect of the decrease which followed the 2006 FIFA World Cup™ (held from June 9, 2006 to July 9, 2006), which greatly contributed to the financial results for the same period of the previous year.

As a result, for the first quarter, the Dentsu Group posted consolidated billings (net sales) of 474,928 million yen (-2.0% year on year) and gross profit of 76,792 million yen (-3.6%).

On the other hand, selling, general and administrative expenses increased 1.0% year on year due to an increase in operating expenses and depreciation and amortization, and as a result, operating income of 7,537 million yen (-32.3%), ordinary income of 9,524 million yen, income before income taxes and minority interests of 9,820 million yen and net income of 2,238 million yen were posted for the first quarter ended June 30, 2007.

For individual Dentsu Group companies, income tax expenses are calculated based on the expected annual effective tax rate determined using a simplified accounting method. Accordingly, the effective tax rate for such individual companies for the first quarter was relatively high due to concentration of receipts of dividends income in this quarter, of which is excluded from taxable income. Income tax expenses in the consolidated statement of income are calculated based on the aggregate amount of income tax expenses of individual Dentsu Group companies. Dividends among consolidated companies are eliminated from dividend income for consolidated accounting, and therefore, in the first quarter, income tax expenses tended to be proportionately high compared to income before income taxes and minority interests.

Since Publicis Groupe S.A., an affiliated company accounted for by the equity method, does not compile its accounts on a quarterly basis, the financial results for the first quarter ended June 30, 2007 do not take into account Dentsu's share of net income of Publicis Groupe S.A. Dentsu's share of net income of Publicis Groupe S.A. will be taken into account only in its results for the half year and for the fiscal year.

Changes in consolidated subsidiaries for the first quarter comprised three new consolidations and one exclusion, and the number of consolidated subsidiaries as of June 30, 2007 was 122.

## 2. Qualitative Information on Consolidated Financial Conditions

For the first quarter ended June 30, 2007, total assets decreased by 40,722 million yen from the previous fiscal year, mainly reflecting a decrease in current assets due to a decrease in notes and accounts receivable. Total liabilities also decreased by 41,090 million yen, mainly due to a decrease in notes and accounts payable.

Furthermore, since net income for the first quarter was less than the dividends paid to shareholders, shareholders' equity decreased. However, partly, as a result of an increase in net unrealized gain on available-for-sale securities reflecting an advance in the market prices of securities held, valuation and translation adjustments, etc., increased, and accordingly, total equity increased by 368 million yen year on year.

## 3. Qualitative Information on Outlook for Consolidated Financial Results

No revision has been made to the outlook for consolidated financial results.

Regarding the outlook for consolidated financial results for the fiscal year ending March 31, 2008 announced on May 11, 2007, in particular in relation to Dentsu's share of net income of Publicis Groupe S.A., an affiliated company accounted for by the equity method, Publicis Groupe S.A. does not disclose its outlook for financial results, and accordingly, Dentsu's equity in income of affiliated companies for the current fiscal year is forecast to be 6,046 million yen (after deducting 4,312 million yen for amortization of goodwill), the same amount as for the fiscal year ended March 31, 2007. The average foreign exchange rate for the fiscal year ended March 31, 2007 of approximately 1 Euro=146 yen, the same rate used for other affiliated companies, has been applied.

## 4. Others

Income tax expenses are calculated based on the expected annual effective tax rate.

## 5. Summary of Quarterly Financial Statements

### (1) Summary of Quarterly Consolidated Balance Sheets

	(Millions of Yen)	
	As of <b>June 30, 2007</b>	(Reference) As of March 31, 2007
<b>ASSETS</b>		
Current assets		
Cash and deposits	<b>63,219</b>	65,943
Trade receivables	<b>472,736</b>	516,007
Other current assets	<b>95,038</b>	81,936
Total current assets	<b>630,993</b>	663,887
Fixed assets		
Property, plant and equipment	<b>254,842</b>	251,854
Intangible assets	<b>41,872</b>	43,699
Investments and other assets	<b>299,619</b>	308,608
Total fixed assets	<b>596,334</b>	604,162
Total assets	<b>1,227,327</b>	1,268,049
<b>LIABILITIES</b>		
Current liabilities		
Trade payables	<b>401,328</b>	425,612
Other Current liabilities	<b>106,106</b>	120,293
Total current liabilities	<b>507,435</b>	545,906
Long-term liabilities		
Long-term debt	<b>85,286</b>	86,651
Reserve for retirement benefits for employees	<b>37,905</b>	38,560
Other long-term liabilities	<b>19,286</b>	19,886
Total long-term liabilities	<b>142,478</b>	145,097
Total liabilities	<b>649,913</b>	691,003
<b>EQUITY</b>		
Shareholders' equity	<b>545,268</b>	546,694
Valuation and translation adjustments, etc.	<b>9,956</b>	8,065
Stock option	<b>0</b>	0
Minority interests	<b>22,188</b>	22,285
Total equity	<b>577,414</b>	577,046
Total liabilities and equity	<b>1,227,327</b>	1,268,049

(2) Summary of Quarterly Consolidated Statements of Income

	(Millions of Yen)		
	Three months ended June 30, 2006	<b>Three months ended June 30, 2007</b>	(Reference) Fiscal year ended March 31, 2007
Net sales	484,798	<b>474,928</b>	2,093,976
Cost of sales	405,125	<b>398,136</b>	1,745,584
Gross profit	79,673	<b>76,792</b>	348,391
Selling, general and administrative expenses	68,544	<b>69,254</b>	285,556
Operating income	11,129	<b>7,537</b>	62,834
Other income	-	<b>2,717</b>	10,401
Other expenses	-	<b>731</b>	3,192
Ordinary income	-	<b>9,524</b>	70,044
Extraordinary income	-	<b>637</b>	2,247
Extraordinary loss	-	<b>341</b>	11,579
Income before income taxes and minority interests	-	<b>9,820</b>	60,712
Income tax expenses	-	<b>7,721</b>	27,425
Minority interests (loss)	-	<b>(139)</b>	2,598
Net income	-	<b>2,238</b>	30,688

Note: Since Publicis Groupe S.A., an affiliated company accounted for by the equity method, does not compile its accounts on a quarterly basis, the financial results for the first quarter ended June 30, 2007 do not take into account Dentsu's share of net income of Publicis Groupe S.A.



### (3) Segment Information

#### Business Segments

##### First Quarter Ended June 30, 2006

(Millions of Yen)

	Advertising	Other business	Total	Eliminations	Total (consolidated)
Net sales	466,265	24,923	491,189	-6,390	484,798
Cost of sales and SG&A	454,042	26,882	480,925	-7,256	473,669
Operating income (loss)	12,222	(1,958)	10,263	866	11,129

##### First Quarter Ended June 30, 2007

(Millions of Yen)

	Advertising	Other business	Total	Eliminations	Total (consolidated)
Net sales	<b>457,298</b>	<b>23,954</b>	<b>481,252</b>	<b>-6,323</b>	<b>474,928</b>
Cost of sales and SG&A	<b>448,940</b>	<b>25,812</b>	<b>474,752</b>	<b>-7,361</b>	<b>467,390</b>
Operating income (loss)	<b>8,357</b>	<b>(1,857)</b>	<b>6,500</b>	<b>1,037</b>	<b>7,537</b>

##### (Reference) Fiscal year ended March 31, 2007

(Millions of Yen)

	Advertising	Other business	Total	Eliminations	Total (consolidated)
Net sales	1,998,668	128,381	2,127,049	-33,073	2,093,976
Cost of sales and SG&A	1,941,434	124,900	2,066,335	-35,193	2,031,141
Operating income	57,233	3,480	60,714	2,120	62,834

#### Geographic Segments

##### First Quarter Ended June 30, 2006

(Millions of Yen)

	Japan	Other countries	Total	Eliminations	Total (consolidated)
Net sales	456,460	30,082	486,543	-1,744	484,798
Cost of sales and SG&A	444,480	30,897	475,378	-1,708	473,669
Operating income (loss)	11,980	(815)	11,164	-35	11,129

##### First Quarter Ended June 30, 2007

(Millions of Yen)

	Japan	Other countries	Total	Eliminations	Total (consolidated)
Net sales	<b>441,461</b>	<b>35,836</b>	<b>477,297</b>	<b>-2,368</b>	<b>474,928</b>
Cost of sales and SG&A	<b>433,406</b>	<b>36,358</b>	<b>469,764</b>	<b>-2,373</b>	<b>467,390</b>
Operating income (loss)	<b>8,055</b>	<b>(522)</b>	<b>7,533</b>	<b>4</b>	<b>7,537</b>

##### (Reference) Fiscal year ended March 31, 2007

(Millions of Yen)

	Japan	Other countries	Total	Eliminations	Total (consolidated)
Net sales	1,889,179	217,832	2,107,012	-13,036	2,093,976
Cost of sales and SG&A	1,831,694	213,056	2,044,750	-13,608	2,031,141
Operating income	57,485	4,776	62,262	572	62,834

## (Reference) Summary of Quarterly Non-Consolidated Financial Statements

## (1) Summary of Quarterly Non-Consolidated Balance Sheets

	As of June 30, 2006	As of <b>June 30, 2007</b>	(Millions of Yen) (Reference) As of March 31, 2007
<b>ASSETS</b>			
Current assets			
Cash and deposits	46,029	<b>30,599</b>	30,460
Trade receivables	399,692	<b>401,986</b>	428,099
Other current assets	98,150	<b>100,404</b>	91,399
Total current assets	543,872	<b>532,990</b>	549,959
Fixed assets			
Property, plant and equipment	238,263	<b>232,133</b>	233,330
Intangible assets	21,840	<b>22,536</b>	24,214
Investments and other assets	300,020	<b>325,489</b>	328,301
Total fixed assets	560,124	<b>580,159</b>	585,846
Total assets	1,103,997	<b>1,113,150</b>	1,135,805
<b>LIABILITIES</b>			
Current liabilities			
Trade payables	394,510	<b>385,183</b>	394,611
Other Current liabilities	111,921	<b>106,205</b>	123,875
Total current liabilities	506,432	<b>491,389</b>	518,486
Long-term liabilities			
Long-term debt	75,652	<b>85,038</b>	86,400
Reserve for retirement benefits for employees	27,275	<b>25,567</b>	26,145
Other long-term liabilities	16,929	<b>16,925</b>	17,427
Total long-term liabilities	119,857	<b>127,530</b>	129,973
Total liabilities	626,290	<b>618,920</b>	648,459
<b>EQUITY</b>			
Shareholders' equity	469,354	<b>484,030</b>	478,544
Valuation and translation adjustments, etc.	8,352	<b>10,199</b>	8,800
Total equity	477,706	<b>494,230</b>	487,345
Total liabilities and equity	1,103,997	<b>1,113,150</b>	1,135,805

(2) Summary of Quarterly Non-Consolidated Statements of Income

	(Millions of Yen)		
	Three months ended June 30, 2006	<b>Three months ended June 30, 2007</b>	(Reference) Fiscal year ended March 31, 2007
Net sales	395,765	<b>379,250</b>	1,602,062
Cost of sales	341,091	<b>328,872</b>	1,385,322
Gross profit	54,673	<b>50,377</b>	216,739
Selling, general and administrative expenses	43,243	<b>43,007</b>	178,242
Operating income	11,430	<b>7,370</b>	38,496
Other income	6,557	<b>9,237</b>	11,613
Other expenses	613	<b>647</b>	2,364
Ordinary income	17,373	<b>15,959</b>	47,746
Extraordinary income	940	<b>492</b>	1,997
Extraordinary loss	948	<b>286</b>	10,036
Income before income taxes and minority interests	17,365	<b>16,165</b>	39,707
Income tax expenses	6,939	<b>6,974</b>	17,464
Net income	10,425	<b>9,191</b>	22,243

(3) Increase or Decrease in Net Sales by Industry for the First Quarter Ended June 30, 2007 for Top Ten Industries. (non-consolidated)

Industries showing increases

Information/Communications (+2.6% year on year), Foodstuffs (+6.0%), Pharmaceuticals/Medical Supplies (+5.5%), Distribution/Retailing (+0.3%),

Industries showing decreases

Beverages/Cigarettes (-10.5% year on year), Cosmetics/Toiletries (-2.4%), Finance/Insurance (-22.5%), Automobiles/Related Products (-14.8%), Home Electric Appliances/AV Equipment (-24.4%), Transportation/Leisure (-0.7%)

(4) Non-Consolidated Net Sales by Business Category for the First Quarter Ended June 30, 2007

Category	Net sales (Millions of Yen)	Change(%)
Newspapers	43,308	- 9.6
Magazines	16,121	- 9.8
Radio	5,905	- 7.7
Television	185,505	- 6.8
Time	81,503	- 8.5
Spot	104,001	- 5.4
Interactive Media	5,271	- 14.1
OOH Media	12,592	+ 26.1
Creative	48,434	+ 10.9
Marketing/Promotion	36,969	- 0.1
Content Services	20,278	- 6.8
Others	4,863	- 18.1
<b>Total</b>	<b>379,250</b>	<b>- 4.2</b>

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: Content Services includes sports marketing, entertainment business and other content.

Note 6: Others includes satellite and other media, media planning and others.