

NEWS RELEASE**FOR IMMEDIATE RELEASE****February 10, 2010****Summary of Financial Results for the
Nine Months Ended December 31, 2009***— 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.com/>

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Scheduled date for filing of the Quarterly Consolidated Financial Statements:

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2009

1. Summary of Financial Results for the Nine Months Ended December 31, 2009 (from April 1, 2009 to December 31, 2009)

(Figures are rounded down to the nearest one million yen)

(1) Consolidated Financial Results

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

	Net sales	Operating income	Ordinary income	Net income
Nine months ended December 31, 2009	1,213,826 (15.1)%	18,963 (34.3)%	22,560 (31.7)%	19,506 370.9%
Nine months ended December 31, 2008	1,430,226 —	28,866 —	33,028 —	4,142 —

(Yen)

	Net income per share (Basic)	Net income per share (Diluted)
Nine months ended December 31, 2009	78.36	78.00
Nine months ended December 31, 2008	1,594.56	1,443.48

(Note) The stock split which became effective on January 4, 2009, has not been taken into consideration in connection with the net income per share for the nine months ended December 31, 2008. Please see “(Reference) Net income and cash dividend per share” on page 5 for details.

(2) Consolidated Financial Conditions

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

	Total assets	Net assets	Equity ratio	Equity per share (Yen)
As of December 31, 2009	1,057,105	488,804	44.4%	1,882.83
As of March 31, 2009	1,092,543	473,149	41.4%	1,823.23

(Reference)

Equity

As of December 31, 2009: 469,124 million yen

As of March 31, 2009: 452,568 million yen

2. Dividends

(Yen)

	Cash dividend per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Total
Dividend paid for the fiscal year ended March 31, 2009	—	2,000.00	—	15.00	—
Dividend paid for the fiscal year ending March 31, 2010	—	12.50	—		
Dividend forecast of the fiscal year ending March 31, 2010				12.50	25.00

(Note) Amendment to the full-year dividend forecast: None

The stock split which became effective on January 4, 2009, has not been taken into consideration in connection with the cash dividend per share at the end of the second quarter of the fiscal year ended March 31, 2009. Please see "(Reference) Net income and cash dividend per share" on page 5 for details.

3. Forecast of Consolidated Financial Results for the Fiscal Year ending March 31, 2010 (from April 1, 2009 through March 31, 2010)

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

	Net sales	Operating income	Ordinary income	Net income	Net income per share (Yen)
Fiscal year ending March 31, 2010	1,636,000 (13.3)%	25,900 (40.0)%	33,400 (37.4)%	24,600 —	98.80

(Note) Amendment to the full-year forecast of consolidated financial results: Yes

4. Others

- (1) Changes in significant consolidated subsidiaries for the nine months (change in specified subsidiaries involving changes in the scope of consolidation): None
- (2) Application of the simplified accounting policies and specific accounting policies for preparing the quarterly consolidated financial statements: Yes
(Note) Please refer to "4. Others" of "Qualitative Information and Financial Statements" (page 10) for details.
- (3) Changes in accounting policies, procedures and methods of presentation for preparing the quarterly consolidated financial statements
 - a. Changes due to revisions of accounting standards: Yes
 - b. Changes due to other reasons: None
 (Note) Please refer to "4. Others" of "Qualitative Information and Financial Statements" (page 10) for details.

- (4) Number of issued shares (common stock)
- a. Total number of issued shares at the end of the period (including treasury stock)
 - As of December 31, 2009: 278,184,000 shares
 - As of March 31, 2009: 278,184,000 shares
 - b. Number of shares of treasury stock at the end of the period
 - As of December 31, 2009: 29,024,808 shares
 - As of March 31, 2009: 29,960,751 shares
 - c. Average number of shares during the period (cumulative from the beginning of the fiscal year)
 - As of December 31, 2009: 248,919,521 shares
 - As of December 31, 2008: 2,597,817 shares

(Note) The stock split which became effective on January 4, 2009, has not been taken into consideration in connection with the average number of shares during the period (cumulative from the beginning of the fiscal year) for the nine months ended December 31, 2008.

* Disclaimer regarding appropriate use of forecasts and related points of note

Since the forecast of 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 forecast due to various factors. Please refer to "3. Qualitative Information on Forecast of Consolidated Financial Results" of "Qualitative Information and Financial Statements" (page 9) for details.

(Reference)

Net income and cash dividend per share

Dentsu has implemented a stock split which became effective on January 4, 2009, at a ratio of 100 shares per share. Net income per share for the nine months ended December 31, 2008 and cash dividend per share for the fiscal year ended March 31, 2009, reflecting the assumption that such stock split was implemented at the beginning of the fiscal year, are as follows.

	(Yen)	
	Net income per share (Basic)	Net income per share (Diluted)
(Consolidated) Nine months ended December 31, 2008	15.95	14.43

	(Yen)				
	Cash dividend per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Total
Dividend paid for the fiscal year ended March 31, 2009	—	20.00	—	15.00	35.00

Qualitative Information and Financial Statements

1. Qualitative Information on Consolidated Financial Results

The Japanese economy has been on the course of gradual recovery from the recession triggered by the global financial crisis thanks to the increase in exports and the effect of economic stimulus policies. However, uncertainty remained in the economy for the nine months ended December 31, 2009, as indicated by the still-stagnant employment situation along with the concern over continued deflation and yen appreciation.

Under such circumstances, the Dentsu Group engaged in multifaceted business development, taking advantage of its opportunities in events such as the 12th IAAF World Championships in Athletics, Berlin 2009™ and the FIFA Club World Cup UAE 2009 presented by TOYOTA, along with various innovation projects under its medium-term management plan entitled "Dentsu Innovation 2013." As a result, the Group posted consolidated billings (net sales) of 1,213,826 million yen (-15.1% compared to the same period of the previous fiscal year), gross profit of 209,964 million yen (-10.1%), operating income of 18,963 million yen (-34.3%) and ordinary income of 22,560 million yen (-31.7%) for the nine months ended December 31, 2009. Meanwhile, net income for the same period turned out to be 19,506 million yen (+370.9%). This increase is due both to the fact that the Group had posted an impairment loss on investment securities of 10,117 million yen in the same period of the previous fiscal year, and to the reduction in the tax burden rate resulting from the tax deductions allowed or the deferred tax assets recorded for part of the loss on write-down of investment securities posted in past fiscal years.

Since Publicis Groupe S.A., an affiliated company accounted for by the equity method, does not disclose its accounts on a quarterly basis, the financial results for the third quarter ended December 31, 2009 (from October to December 2009) do not take into account Dentsu's share of net income of Publicis Groupe S.A. and amortization of goodwill based on the third-quarter financial results of Publicis Groupe S.A. (from July to September 2009).

Financial results by business segment were as follows:

a. Advertising

For Advertising, net sales of 1,174,358 million yen (-14.0% compared to the same period of the previous fiscal year) and operating income of 17,824 million yen (-24.0%) were posted.

b. Information Services

For Information Services, net sales of 40,761 million yen (-22.8% compared to the same period of the previous fiscal year) and operating loss of 3,139 million yen were posted (an operating income of 1,381 million yen was posted for the same period of the previous fiscal year). Each of the group companies of Information Services International-Dentsu, Ltd. belongs to this segment.

c. Other Businesses

For Other Businesses, net sales of 16,182 million yen (-50.8% compared to the same period of the previous fiscal year) and operating income of 1,586 million yen (+30.6%) were posted.

Financial results by geographic segment were as follows:

a. Japan

In Japan, net sales of 1,126,210 million yen (-13.6% compared to the same period of the previous fiscal year) and operating income of 19,219 million yen (-28.1%) were posted.

b. Overseas

In other countries, net sales of 91,780 million yen (-32.9% compared to the same period of the previous fiscal year) and operating loss of 253 million yen were posted (an operating income of 2,265 million yen was posted for the same period of the previous fiscal year).

Consolidated financial results are greatly affected by non-consolidated financial results. Non-consolidated financial results by business category and industry for the nine months ended December 31, 2009, were as follows:

Dentsu posted non-consolidated billings (net sales) of 962,281 million yen (-12.4% compared to the same period of the previous fiscal year); gross profit of 133,388 million yen (-8.4%); operating income of 16,378 million yen (-9.4%) and ordinary income of 23,944 million yen (-15.9%). Meanwhile, net income for the nine months ended December 31, 2009, turned out to be 22,007 million yen (+324.5%).

<Business Category>

Category	Net sales (Millions of yen)	Composition ratio (%)	Change (%, compared to the same period of the previous year)
Newspapers	86,050	8.9	(22.0)
Magazines	32,734	3.4	(30.7)
Radio	14,683	1.5	(12.2)
Television	467,320	48.6	(12.1)
Time	217,342	22.6	(17.3)
Spot	249,978	26.0	(7.0)
Interactive Media	23,284	2.4	19.3
OOH Media	28,960	3.0	(12.6)
Creative	117,691	12.2	(10.6)
Marketing/Promotion	121,136	12.6	(5.7)
Content Services	54,735	5.7	(6.4)
Others	15,683	1.6	(28.3)
Total	962,281	100.0	(12.4)

(Note 1) Major business categories are as follows:

Newspapers:	Newspaper advertising
Magazines:	Magazine advertising
Radio:	Radio advertising
Television:	Television advertising
Television (Time):	Television time advertising (program sponsorship)
Television (Spot):	Television spot advertising (in between programs)
Interactive Media:	Internet and mobile-related media advertising
OOH Media:	Out of Home (transit, outdoor and flyers) media-related advertising
Creative:	Creative planning, production and related services
Marketing/Promotion:	Strategic planning and implementation of activities such as branding, marketing, communications, sales promotions, events, PR, e-promotions and direct marketing as well as management consulting
Content Services:	Licensing sales, planning and production in the sports marketing and entertainment fields and other content services
Others:	Satellite and other media, including media planning

(Note 2) The composition ratio of each business category is rounded to the nearest tenth.

The four mass media posted net sales of 600,790 million yen. For businesses other than the four mass media, net sales of 361,491 million yen were posted and the net sales composition ratio was 37.6 %.

<Industries>

For the nine months ended December 31, 2009, non-consolidated net sales for the top ten contributing industries were as follows: Information/Communications (-11.9% compared to the same period of the previous fiscal year); Beverages/Cigarettes (-7.3%);

Cosmetics/Toiletries (-7.0%); Foodstuffs (-0.4%); Finance/Insurance (-23.5%); Pharmaceuticals/Medical Supplies (-3.3%); Distribution/Retailing (-4.0%); Sports/Hobbies (-7.5%); Automobiles/Related Products (-31.0%) and Food Services/Other Services (-4.0%).

2. Qualitative Information on Consolidated Financial Conditions

As of the end of the nine months ended December 31, 2009, compared to the end of the fiscal year ended March 31, 2009, total assets decreased by 35,437 million yen, mainly reflecting a decrease in current assets such as notes and accounts receivable. On the other hand, total liabilities decreased by 51,093 million yen, mainly due to the decrease in notes and accounts payable.

Furthermore, net assets increased by 15,655 million yen mainly because net income of 19,506 million yen was posted for the nine months ended December 31, 2009.

3. Qualitative Information on Forecast of Consolidated Financial Results

Uncertainty still remains in the future prospects of the advertising market. However, since the Dentsu Group's actual performance for the third quarter (from October 1 to December 31, 2009) proved better than expected, we have amended the forecast of consolidated financial results for the fiscal year ending March 31, 2010 which we announced on November 6, 2009.

Regarding the forecast of consolidated financial results, 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 forecast of financial results, and accordingly, Dentsu's equity in income of affiliated companies for the second half ending March 31, 2010 is forecast to be 3,921 million yen (after deducting 1,192 million yen for amortization of goodwill) based on the second-half financial results of Publicis Groupe S.A. for the previous year. The average foreign exchange rate for the period from January 2009 to December 2009 of approximately 1 euro = 130.2 yen, the same rate used for other affiliated companies, has been applied.

Meanwhile non-consolidated financial results for the fiscal year ending March 31, 2010, are forecast as follows: net sales of 1,276,600 million yen (-11.8% compared to the previous fiscal year); operating income of 18,300 million yen (-23.3%); ordinary income of 26,500 million yen (-23.4%) and net income of 20,900 million yen (net loss of 32,771 million yen was posted for the same period of the previous fiscal year).

4. Others

- (1) Changes in significant consolidated subsidiaries for the nine months (change in specified subsidiaries involving changes in the scope of consolidation)

No items to report

(2) Application of the simplified accounting policies and specific accounting policies for preparing the quarterly consolidated financial statements

1. Simplified accounting policies

Calculation method of depreciation expense for property, plant and equipment

Depreciation expense for property, plant and equipment that are depreciated using the declining-balance method is calculated by dividing on a pro-rata basis the annual depreciation expense.

2. Others

Since Publicis Groupe S.A., an affiliated company accounted for by the equity method, does not disclose its accounts on a quarterly basis, the financial results for the third quarter ended December 31, 2009 do not take into account Dentsu's share of net income of Publicis Groupe S.A. and amortization of goodwill based on the third quarter financial results of Publicis Groupe S.A. Dentsu's share of net income of Publicis Groupe S.A. and amortization of goodwill for the first half of their fiscal year 2009 is included in the financial results for the nine months ended December 31, 2009.

(3) Changes in accounting policies, procedures and methods of presentation for preparing the quarterly consolidated financial statements

1. Changes to the basis for recording net sales and cost of sales

Although we were applying the completed-contract method as the basis for recording revenue from made-to-order software, we started adopting the "Accounting Standard for Construction Contracts" (Accounting Standards Boards of Japan (ASBJ) Statement No. 15, December 27, 2007), and the "Guidance on Accounting Standard for Construction Contracts" (ASBJ Guidance No. 18, December 27, 2007) from the beginning of the first quarter of fiscal 2009. As a result, for the software engineering contracts starting during the first quarter of fiscal 2009, the percentage-of-completion method is applied to the contracts if the outcome of the construction activity is deemed certain during the course of the activity by the end of the nine months (where percentage of completion is estimated by cost-to-cost method), while the completed-contract method is applied otherwise.

The impact on net sales, income and loss as well as segment information for the nine months ended December 31, 2009 was not material.

5. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

	(Millions of yen)	
	As of December 31, 2009	As of March 31, 2009
Assets		
Current assets		
Cash and deposits	56,675	58,417
Notes and accounts receivable-trade	391,571	427,696
Short-term investment securities	182	1,179
Inventories	13,272	14,464
Other	47,935	47,905
Allowance for doubtful accounts	(3,324)	(3,345)
Total current assets	506,313	546,317
Noncurrent assets		
Property, plant and equipment		
Land	160,382	160,803
Other, net	88,887	91,835
Total property, plant and equipment	249,270	252,639
Intangible assets		
Goodwill	24,070	20,658
Other	22,353	26,360
Total intangible assets	46,424	47,019
Investments and other assets		
Investment securities	176,744	174,464
Other	79,404	73,216
Allowance for doubtful accounts	(1,051)	(1,112)
Total investments and other assets	255,098	246,567
Total noncurrent assets	550,792	546,226
Total assets	1,057,105	1,092,543

(Millions of yen)

	As of December 31, 2009	As of March 31, 2009
Liabilities		
Current liabilities		
Notes and accounts payable-trade	330,404	367,422
Short-term loans payable	3,626	3,625
Income taxes payable	3,553	5,602
Provision	1,041	607
Other	64,122	72,816
Total current liabilities	<u>402,747</u>	<u>450,075</u>
Noncurrent liabilities		
Long-term loans payable	112,272	116,195
Provision for retirement benefits	31,722	29,775
Other provision	819	1,145
Other	20,738	22,202
Total noncurrent liabilities	<u>165,553</u>	<u>169,318</u>
Total liabilities	<u>568,301</u>	<u>619,394</u>
Net assets		
Shareholders' equity		
Capital stock	58,967	58,967
Capital surplus	60,899	61,583
Retained earnings	442,107	429,615
Treasury stock	(65,053)	(67,367)
Total shareholders' equity	<u>496,921</u>	<u>482,798</u>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(687)	(2,440)
Deferred gains or losses on hedges	(1,905)	126
Revaluation reserve for land	(7,187)	(7,187)
Foreign currency translation adjustment	(18,017)	(20,730)
Total valuation and translation adjustments	<u>(27,796)</u>	<u>(30,230)</u>
Subscription rights to shares	0	0
Minority interests	19,680	20,581
Total net assets	<u>488,804</u>	<u>473,149</u>
Total liabilities and net assets	<u>1,057,105</u>	<u>1,092,543</u>

(2) Quarterly Consolidated Statements of Income

	(Millions of yen)	
	Nine months ended December 31, 2008	Nine months ended December 31, 2009
Net sales	1,430,226	1,213,826
Cost of sales	1,196,716	1,003,861
Gross profit	233,510	209,964
Selling, general and administrative expenses		
Salaries and allowances	102,052	99,661
Provision for directors' bonuses	302	187
Provision for retirement benefits	7,114	8,585
Provision for directors' retirement benefits	192	147
Welfare expenses	12,987	12,528
Depreciation	10,350	10,056
Amortization of goodwill	1,504	1,537
Provision of allowance for doubtful accounts	—	16
Other	70,139	58,282
Total selling, general and administrative expenses	204,643	191,001
Operating income	28,866	18,963
Non-operating income		
Interest income	1,023	530
Dividends income	1,641	1,353
Foreign exchange gains	279	151
Equity in earnings of affiliates	2,393	2,760
Other	1,579	1,835
Total non-operating income	6,917	6,632
Non-operating expenses		
Interest expenses	1,774	1,719
Other	981	1,315
Total non-operating expenses	2,755	3,034
Ordinary income	33,028	22,560
Extraordinary income		
Gain on sales of noncurrent assets	27	866
Gain on sales of investment securities	805	359
Other	589	527
Total extraordinary income	1,422	1,753

	(Millions of yen)	
	Nine months ended December 31, 2008	Nine months ended December 31, 2009
Extraordinary loss		
Loss on sales of noncurrent assets	11	30
Loss on retirement of noncurrent assets	188	599
Impairment loss	1,205	101
Loss on valuation of investment securities	10,117	561
Restructuring loss	4,484	662
Other	2,440	809
Total extraordinary losses	18,448	2,766
Income before income taxes and minority interests	16,002	21,548
Income taxes-current	7,718	6,807
Income taxes for prior periods	—	(2,229)
Income taxes-deferred	4,022	(1,618)
Total income taxes	11,741	2,959
Minority interests in income (loss)	118	(917)
Net income	4,142	19,506

(3) Notes on premise of going concern

No items to report

(4) Segment Information

Business Segments

Nine Months Ended December 31, 2008 (from April 1, 2008 to December 31, 2008)

(Millions of yen)

	Advertising	Information Services	Other Businesses	Total	Eliminations/Corporate	Total (consolidated)
Net sales	1,364,860	52,808	32,858	1,450,526	(20,299)	1,430,226
Operating income	23,454	1,381	1,214	26,050	2,815	28,866

Nine Months Ended December 31, 2009 (from April 1, 2009 to December 31, 2009)

(Millions of yen)

	Advertising	Information Services	Other Businesses	Total	Eliminations/Corporate	Total (consolidated)
Net sales	1,174,358	40,761	16,182	1,231,302	(17,475)	1,213,826
Operating income (loss)	17,824	(3,139)	1,586	16,271	2,691	18,963

Geographic Segments

Nine Months Ended December 31, 2008 (from April 1, 2008 to December 31, 2008)

(Millions of yen)

	Japan	Other Countries	Total	Eliminations/Corporate	Total (consolidated)
Net sales	1,303,943	136,761	1,440,705	(10,478)	1,430,226
Operating income	26,735	2,265	29,000	(134)	28,866

Nine Months Ended December 31, 2009 (from April 1, 2009 to December 31, 2009)

(Millions of yen)

	Japan	Other Countries	Total	Eliminations/Corporate	Total (consolidated)
Net sales	1,126,210	91,780	1,217,990	(4,164)	1,213,826
Operating income (loss)	19,219	(253)	18,965	(2)	18,963

Overseas Sales

Nine Months Ended December 31, 2008 (from April 1, 2008 to December 31, 2008)

I.	Net sales in countries other than Japan:	130,320 million yen
II.	Consolidated net sales:	1,430,226 million yen
III.	Sales in countries other than Japan as a percentage of consolidated net sales:	9.1 %

Nine Months Ended December 31, 2009 (from April 1, 2009 to December 31, 2009)

I.	Net sales in countries other than Japan:	94,401 million yen
II.	Consolidated net sales:	1,213,826 million yen
III.	Sales in countries other than Japan as a percentage of consolidated net sales:	7.8 %

(5) Notes on significant changes in the amount of shareholders' equity

No items to report

6. Other Information

No items to report

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