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NEWS RELEASE

FOR IMMEDIATE RELEASE
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Dentsu Reports Consolidated Financial Results for the Fiscal Year Ended March 31, 2010

—Posts 1,678.6 Billion Yen in Consolidated Billings (Net Sales), 37.3 Billion Yen in Operating Income, and 44.7 Billion Yen in Ordinary Income—

Dentsu Inc. (President & CEO: Tatsuyoshi Takashima; Head Office: Tokyo; Capital: 58,967.1 million yen) today convened a meeting of its Board of Directors at its Head Office in Tokyo at which it finalized its consolidated and non-consolidated financial results for the fiscal year ended March 31, 2010 (April 1, 2009–March 31, 2010).

Summary of financial results for the fiscal year ended March 31, 2010

During the fiscal year ended March 31, 2010, despite a gradual recovery in the Japanese economy from the rapid global economic slowdown triggered by the U.S. financial crisis that began in the previous fiscal year, prevailing conditions for employment and income remained severe.

In the advertising industry, Dentsu's estimate for advertising expenditures in Japan for the 2009 calendar year was 5,922.2 billion yen, an 11.5% decrease compared with calendar 2008. This marked the second consecutive year of decline, while the rate of decrease was the highest since Dentsu began estimating advertising expenditures in Japan in 1947. Looking at the breakdown of advertising expenditures by category, expenditures in the four traditional media fell below those in the previous year for the fifth consecutive year, recording a 14.3% decline, and promotional media advertising expenditures fell for the second year in a row, decreasing 11.8%. In contrast, Internet advertising expenditures continued to rise, recording an increase of 1.2%, and satellite media-related advertising expenditures grew 4.9% compared with the previous calendar year.

Amid these difficult market conditions, in July 2009 Dentsu announced its new Medium-term Management Plan for the entire Dentsu Group (hereinafter "the Group"), dubbed "Dentsu

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Innovation 2013," and implemented a broad range of tangible measures. Furthermore, the Group pursued a diverse array of business opportunities, including those related to such major global events as the 12th IAAF World Championships in Athletics, Berlin 2009™ (August 2009) and the XXI Olympic Winter Games, Vancouver 2010 (February 2010). In addition, the Group provided solutions based on its integrated communication design capabilities, which aggressively leveraged its comprehensive Group resources. As a result of these activities and also owing to a recovery in the market, the Group achieved an improvement in its business results during the second half of the fiscal year ended March 31, 2010 (hereinafter "the fiscal year under review").

In the fiscal year under review, the Group posted consolidated billings (net sales) of 1,678,618 million yen, a decrease of 11.1% compared with the fiscal year ended March 31, 2009 (hereinafter "the previous fiscal year"). The Group recorded gross profit of 296,490 million yen, a decrease of 5.7%, operating income of 37,323 million yen, a decrease of 13.6%, and ordinary income of 44,790 million yen, a decrease of 16.1%. Net income for the fiscal year under review amounted to 31,130 million yen, compared with a net loss of 20,453 million yen in the previous fiscal year. Several factors contributed to the Group's achieving net income during the fiscal year under review, including the absence of a loss on valuation of investment securities of 51,116 million yen, which the Company recorded in the previous fiscal year. Another significant factor was a decrease in the effective tax rate owing to deductions and deferred tax assets recorded, which related to a portion of the loss on valuation of investment securities posted in past fiscal years.

Outlook for the fiscal year ending March 31, 2011

According to the economic outlook released by the Japanese government on January 22, 2010, Japan's real GDP is forecast to increase by approximately 1.4% during the fiscal year ending March 31, 2011, which would mark the first increase in three years. Nominal GDP is also forecast to return to growth, at a rate of approximately 0.4%. The economic outlook report also highlighted such potential future risk factors as a further deterioration in the employment situation, sluggish demand owing to a rise in deflationary pressures, and weak economic growth among Japan's trading partners.

Against the backdrop of this economic outlook, the Japan Center for Economic Research forecasts advertising expenditures in Japan to decrease 0.1% year-on-year during the fiscal year ending March 31, 2011 (forecast as of March 2010). Although the fiscal year ending March 31, 2011 includes such events as the 2010 FIFA World Cup South Africa™ and Japan's

22nd Elections to the House of Councillors for the upper house of Japan's legislature, which are likely to have a positive impact on the advertising market, Dentsu anticipates the continuation of difficult operating conditions.

The Group will continue to strive for an improvement in its business results through the implementation of a wide range of reforms based on its new Medium-term Management Plan, Dentsu Innovation 2013.

For the fiscal year ending March 31, 2011, on a consolidated basis, Dentsu forecasts billings (net sales) of 1,737.9 billion yen (+3.5 % year-on-year), operating income of 39.7 billion yen (+6.4%), ordinary income of 45.9 billion yen (+2.5 %), and net income of 25.4 billion yen (-18.4%).

On a non-consolidated basis, for the fiscal year ending March 31, 2011, Dentsu forecasts billings (net sales) of 1,333.9 billion yen (+1.4 % year-on-year), operating income of 29.5 billion yen (+12.1 %), ordinary income of 36.4 billion yen (+8.0 %), and net income of 26.2 billion yen (-3.2 %).

Fundamental policies on dividend distribution

Dentsu considers the return of profits to shareholders to be one of its key policies. In response to changes in the business environment, Dentsu strives to improve its capital efficiency in combination with long-term growth in corporate value through the expansion of its operations, stable dividends, and expeditious acquisition of treasury stock. The goal of these measures is to facilitate a comprehensive return of profits to shareholders.

The dividend for each fiscal year is determined by taking into account such factors as internal reserves necessary for sustainable investment in order to respond to market changes, business results for each fiscal year, the financial outlook for the medium-to-long term, and the Group's funding situation, with emphasis placed on stability.

Cash dividends applicable to the fiscal year ended March 31, 2010

With regard to the economic downturn triggered by the global financial crisis and the slump in advertising demand, some signs of improvement have recently begun to appear. However, the recovery in domestic demand, including consumer spending, is still insufficient, and the medium-term outlook for the market environment faced by the Dentsu Group remains uncertain. Consequently, we see a continued uncertainty in the market.

Under these circumstances, Dentsu recognizes the importance of focusing on stability and the soundness of its management position from a medium- to long-term point of view. Such a management focus is considered vital by Dentsu in order to realize a sustainable improvement in corporate value and respond to shareholders' expectations. Dentsu also recognizes the need to respond appropriately to rapid structural changes in the business environment, including technological advances and the globalization of corporate activities. For these reasons, Dentsu is working steadily to build a business foundation for the next generation.

Dentsu has carefully considered the dividend applicable to the fiscal year ended March 31, 2010, based on its recognition of the circumstances outlined above, while also taking a comprehensive view of such factors as business results for the fiscal year under review, the medium- to long-term results outlook and the Group's funding situation. As a result, cash dividends per share of common stock are expected to be 27.00 yen, including an interim dividend of 12.50 yen and a year-end dividend of 14.50 yen.

Cash dividends per share of common stock applicable to the fiscal year ending March 31, 2011, are expected to be 29.00 yen, including an interim dividend of 14.50 yen and a year-end dividend of 14.50 yen.

Cautionary statement with respect to forward-looking statements

These business results forecasts have been made by Dentsu on the basis of currently available information, and hence involve potential risks and uncertainties. Consequently, actual business results may differ from the forecasts due to changes in various factors.

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Consolidated Financial Results
for the Fiscal Year Ended March 31, 2010

1. Summary of Consolidated Balance Sheets

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

	As of March 31, 2010	As of March 31, 2009	Change (%)
ASSETS			
Current assets	**568,424**	546,317	4.0
Noncurrent assets	**549,811**	546,226	0.7
Total assets	**1,118,236**	1,092,543	2.4
LIABILITIES			
Current liabilities	**461,595**	450,075	2.6
Noncurrent liabilities	**151,083**	169,318	(10.8)
Total liabilities	**612,679**	619,394	(1.1)
NET ASSETS			
Shareholders' equity	**508,824**	482,798	5.4
Valuation and translation adjustments	**(24,573)**	(30,230)	-
Subscription rights to shares	**-**	0	-
Minority interests	**21,306**	20,581	3.5
Total net assets	**505,556**	473,149	6.8
Total liabilities and net assets	**1,118,236**	1,092,543	2.4

2. *Summary of Consolidated Statements of Income*

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

	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2009	Change (%)
Net sales	**1,678,618**	1,887,170	(11.1)
Gross profit	**296,490**	314,474	(5.7)
Operating income	**37,323**	43,184	(13.6)
Non-operating income	**11,873**	14,592	(18.6)
Non-operating expenses	**4,407**	4,413	(0.2)
Ordinary income	**44,790**	53,363	(16.1)
Extraordinary income	**1,852**	1,774	4.4
Extraordinary loss	**6,594**	60,110	(89.0)
Income (Loss) before income taxes and minority interests	**40,048**	(4,972)	-
Net income (loss)	**31,130**	(20,453)	-

3. Summary of Consolidated Statements of Cash Flows

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

	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2009
Net cash provided by operating activities	**74,989**	42,359
Net cash used in investing activities	**(9,251)**	(22,263)
Net cash used in financing activities	**(31,282)**	(27,748)
Effect of exchange rate change on cash and cash equivalents	**1,052**	(5,519)
Net increase (decrease) in cash and cash equivalents	**35,508**	(13,172)
Cash and cash equivalents at beginning of period	**57,271**	70,252
Increase in cash and cash equivalents resulting from merger	**-**	190
Increase in cash and cash equivalents from newly consolidated subsidiary	**75**	-
Cash and cash equivalents at end of period	**92,854**	57,271

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Non-Consolidated Financial Results
for the Fiscal Year Ended March 31, 2010

1. Summary of Non-Consolidated Balance Sheets

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

	As of March 31, 2010	As of March 31, 2009	Change (%)
ASSETS			
Current assets	470,408	458,371	2.6
Noncurrent assets	540,404	528,369	2.3
Total assets	1,010,812	986,741	2.4
LIABILITIES			
Current liabilities	470,814	452,123	4.1
Noncurrent liabilities	133,587	151,589	(11.9)
Total liabilities	604,402	603,713	0.1
NET ASSETS			
Shareholders' equity	413,297	391,523	5.6
Valuation and translation adjustments	(6,886)	(8,495)	-
Total net assets	406,410	383,028	6.1
Total liabilities and net assets	1,010,812	986,741	2.4

2. *Summary of Non-Consolidated Statements of Income*

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

	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2009	Change (%)
Net sales	**1,315,072**	1,447,410	(9.1)
Gross profit	**185,479**	192,716	(3.8)
Operating income	**26,313**	23,870	10.2
Non-operating income	**11,640**	14,530	(19.9)
Non-operating expenses	**4,251**	3,815	11.4
Ordinary income	**33,702**	34,585	(2.6)
Extraordinary income	**1,792**	1,448	23.7
Extraordinary loss	**6,663**	61,499	(89.2)
Income (Loss) before income taxes	**28,830**	(25,466)	-
Net income (loss)	**27,055**	(32,771)	-

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