

FOR IMMEDIATE RELEASE

November 10, 2010

Summary of Financial Results for the Six Months Ended September 30, 2010 —Japanese GAAP, Consolidated Results—

Name of Listed Company: Dentsu Inc.

Code Number: 4324

Stock Exchange Listing: First Section of the Tokyo Stock Exchange

URL: <http://www.dentsu.com/>

Name of Representative: Tatsuyoshi Takashima, President & CEO

Scheduled date for filing of the Quarterly Consolidated Financial Statements:

November 15, 2010

Scheduled start date of dividend payment:

December 6, 2010

Supplementary briefing material on quarterly results:

Available

Quarterly results briefing:

Scheduled (for institutional investors and analysts)

Contact: Shusaku Kannan

Senior Manager

Corporate Communications Division

Telephone: (813) 6216-8042

E-mail: s.kannan@dentsu.co.jp

Summary of Consolidated Financial Results

for the Six Months Ended September 30, 2010 [Japanese GAAP]

1. Summary of Financial Results for the Six Months Ended September 30, 2010 (from April 1, 2010 to September 30, 2010)

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

(1) Consolidated Financial Results (Cumulative)

(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	
Six months ended September 30, 2010	868,407	10.5%	17,586	157.3%	16,616	58.8%	2,859	(59.9)%
Six months ended September 30, 2009	785,858	(17.2)%	6,834	(61.6)%	10,460	(52.7)%	7,138	(12.0)%

(Yen)

	Net income per share (Basic)	Net income per share (Diluted)
Six months ended September 30, 2010	11.48	10.10
Six months ended September 30, 2009	28.69	28.33

(2) Consolidated Financial Position

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

	Total assets	Net assets	Equity ratio	Equity per share (Yen)
As of September 30, 2010	1,086,522	497,340	44.0%	1,919.03
As of March 31, 2010	1,118,236	505,556	43.3%	1,943.55

(Reference)

Equity

As of September 30, 2010: 478,137 million yen

As of March 31, 2010: 484,250 million yen

2. Dividends

(Yen)

	Annual cash dividend per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Total
Dividend paid for the fiscal year ended March 31, 2010	—	12.50	—	14.50	27.00
Dividend paid for the fiscal year ending March 31, 2011	—	14.50			
Dividend forecast of the fiscal year ending March 31, 2011			—	14.50	29.00

(Note) Amendment to the dividend forecast: None

3. Forecast of Consolidated Financial Results for the Fiscal Year ending March 31, 2011 (from April 1, 2010 to March 31, 2011)

(Percentages indicate the rate of increase or decrease compared with 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, 2011	1,820,600 8.5%	47,500 27.3%	48,800 9.0%	20,800 (33.2)%	83.48

(Note) Amendment to the forecast of consolidated financial results: None

4. Others (for details, please refer to "Other Information" on pages 9-10.)

(1) Changes in Significant Consolidated Subsidiaries during the Six Months: None

New companies: None

Excluded companies: None

(Note) This refers to whether or not there were changes in specified subsidiaries resulting in changes in the scope of consolidation during the six months.

(2) Application of the Simplified Accounting Treatments and Specific Accounting Treatments: Yes

(Note) This refers to whether or not the simplified accounting treatments and specific accounting treatments for preparing quarterly consolidated financial statements were applied.

(3) Changes in Accounting Principles, Procedures and Methods of Presentation

- a. Changes due to revisions of accounting standards: Yes
- b. Changes due to other reasons: None

(Note) This refers to whether or not there were changes in the accounting principles, procedures, methods of presentation, etc., related to preparation of quarterly consolidated financial statements (those to be described as Changes in Important Matters Used as the Basis for Preparation of the Quarterly Consolidated Financial Statements).

(4) Number of issued shares (common stock)

- a. Total number of issued shares at the end of the period (including treasury stock)

As of September 30, 2010	278,184,000 shares
As of March 31, 2010	278,184,000 shares

- b. Number of shares of treasury stock at the end of the period

As of September 30, 2010	29,027,940 shares
As of March 31, 2010	29,026,278 shares

- c. Average number of shares during the period (cumulative from the beginning of the fiscal year)

As of September 30, 2010	249,156,501 shares
As of September 30, 2009	248,779,333 shares

(Notes)

* Presentation regarding execution status of quarterly review procedures

This summary of consolidated quarterly financial results is not subject to the quarterly review procedures provided for by the Japanese Financial Instruments and Exchange Law. Therefore, at the time of the disclosure of these financial results, the quarterly financial statement review procedures based on the Law have not been completed.

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

Forward-looking statements, including the forecast of future financial results in this document, were prepared based on currently available information and certain preconditions which we believe to be reasonable at this time. Actual results may be substantially different from those discussed in the forward-looking statements due to various factors. For notes concerning the use of earnings forecasts and their preconditions, please refer to "Forecast of Consolidated Financial Results" on page 8.

1. Qualitative Information on Consolidated Financial Results

(1) Consolidated Financial Results

During the six months ended September 30, 2010 (from April 1, 2010 to September 30, 2010), the Japanese economy showed some signs that it was on track to recovery as exports increased and the Japanese government's economic stimulus packages showed positive results. However, a sense of uncertainty remained due to concerns about the rising yen and the decelerating global economy. In the advertising industry, clients in certain sectors remained cautious about spending their advertising budgets.

Under such circumstances, the Dentsu Group (hereinafter "the Group") implemented a broad range of tangible measures under its Medium-Term Management Plan dubbed "Dentsu Innovation 2013" which was announced in July last year. Furthermore, the Group pursued a diverse array of business opportunities including those related to the 2010 FIFA World Cup South Africa™ and Japan's 22nd Elections to the House of Councillors.

As a result, the Group posted consolidated billings (net sales) of 868,407 million yen (+10.5% compared to the same period of the previous fiscal year), gross profit of 145,896 million yen (+8.1%), operating income of 17,586 million yen (+157.3%) and ordinary income of 16,616 million yen (+58.8%) for the six months ended September 30, 2010. However, as the Group posted extraordinary loss including amortization of goodwill due to impairment, net income for the six months ended September 30, 2010 came to 2,859 million yen (-59.9%).

Financial results by reportable segment for the six months ended September 30, 2010 were as follows:

a. Advertising

In the Advertising segment, net sales of 838,133 million yen and segment income of 15,696 million yen were posted.

b. Information Services

In the Information Services segment, net sales of 28,878 million yen and segment loss of 317 million yen were posted. Each of the group companies of Information Services International-Dentsu, Ltd. belongs to this segment.

c. Other Businesses

In the Other Businesses segment, net sales of 12,803 million yen and segment income of 776 million yen were posted.

Financial results by geographic segment were as follows:

a. Japan

In Japan, net sales of 780,224 million yen and operating income of 16,244 million yen were posted.

b. Other Countries

In other countries, net sales of 92,252 million yen and operating income of 1,447 million yen were posted.

Regarding Dentsu Group companies with a December 31 closing date, including subsidiaries in countries other than Japan, their financial results for the six months from January 1, 2010 to June 30, 2010 are, as a general rule, incorporated in the consolidated financial results for the six months ended September 30, 2010.

Consolidated financial results are greatly affected by non-consolidated financial results. Non-consolidated financial results by business and industry categories for the six months ended September 30, 2010 were as follows:

Dentsu Inc. posted non-consolidated billings (net sales) of 672,394 million yen (+8.7% compared to the same period of the previous fiscal year), gross profit of 89,890 million yen (+5.8%), operating income of 12,063 million yen (+81.9%) and ordinary income of 16,729 million yen (+24.4%). Dentsu Inc. posted loss on valuation of stocks of subsidiaries and affiliates and others, resulting in net income of 8,818 million yen (-10.8%) for the six months ended September 30, 2010.

<By Business Category>

Category	Net sales (Millions of yen)	Composition ratio (%)	Change (%, compared to the same period of the previous year)
Newspapers	54,370	8.1	(0.2)
Magazines	18,886	2.8	(12.1)
Radio	9,382	1.4	(1.4)
Television	320,795	47.7	6.9
Time	143,503	21.3	(0.2)
Spot	177,292	26.4	13.4
Interactive Media	19,381	2.9	40.3
OOH Media	20,972	3.1	7.7
Creative	83,445	12.4	6.5
Marketing/Promotion	83,056	12.4	12.0
Content Services	51,900	7.7	40.2
Others	10,202	1.5	0.2
Total	672,394	100.0	8.7

(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 403,435 million yen (+4.6% compared to the same period of the previous fiscal year). For businesses other than the four mass media, net sales of 268,958 million yen (+15.4%) were posted and the net sales composition ratio was 40.0%.

<By Industry Category>

For the six months ended September 30, 2010, the top ten industry categories accounting for the major share of Dentsu Inc.'s net sales were as follows:

Information/Communications (+29.1% compared to the same period of the previous fiscal year); Beverages/Cigarettes (+3.6%); Cosmetics/Toiletries (+19.6%); Finance/Insurance (+17.2%); Foodstuffs (+1.3%); Home Electric Appliances/AV Equipment (+18.2%); Distribution/Retailing (+12.7%); Pharmaceuticals/Medical Supplies (-3.0%); Food Services/Other Services (+6.0%) and Automobiles/Related Products (-7.8%).

(2) Forecast of Consolidated Financial Results

The forecast of consolidated financial results for the fiscal year ending March 31, 2011 is as shown on page 3. According to the Japan Center for Economic Research, Japan's total advertising expenditure for fiscal 2010 is predicted (as of September 2010) to decrease by 0.2% from the previous fiscal year, while advertising expenditures in the four mass media are also expected to decline. This business climate, which leaves no room for optimism, is expected to continue in the second half of the current fiscal year.

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 of the current fiscal year is forecast to be 2,350 million yen (after deducting 866 million yen for amortization of goodwill) based on the financial results of Publicis Groupe S.A. for the same period of the previous fiscal year ended December 31, 2009. The average foreign exchange rate for the period from January 2010 to September 2010 of approximately 1 euro = 117.8 yen, the same rate used for other affiliated companies, has been applied.

Meanwhile, non-consolidated financial results for the fiscal year ending March 31, 2011 are forecast as follows: net sales of 1,384,400 million yen (+5.3% compared to the previous fiscal year), operating income of 32,100 million yen (+22.0%), ordinary income of 38,300 million yen (+13.6%) and net income of 21,300 million yen (-21.3%).

2. Other Information

(1) Changes in Significant Consolidated Subsidiaries

No items to report

(2) Application of the Simplified Accounting Treatments and Specific Accounting Treatments

Simplified Accounting Treatments

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 the annual depreciation expense on a pro-rata basis.

(3) Changes in Accounting Principles, Procedures and Methods of Presentation

1. Application of "Accounting Standard for Equity Method of Accounting for Investments" and the "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method"

Starting from the beginning of the first quarter of fiscal 2010, the "Accounting Standard for Equity Method of Accounting for Investments" (ASBJ Statement No. 16, March 10, 2008) and the "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (ASBJ PITF No. 24, March 10, 2008) have been applied.

The impact of the change on income and loss was not material.

2. Application of "Accounting Standard for Asset Retirement Obligations", etc.

Starting from the beginning of the first quarter of fiscal 2010, the "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No. 18, March 31, 2008) and the "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21, March 31, 2008) have been applied.

As a result, operating income and ordinary income for the six months ended September 30, 2010 decreased 29 million yen respectively, while income before income taxes and minority interests decreased 464 million yen. The change in asset retirement obligations due to the adoption of this accounting standard, etc. is 737 million yen.

3. Application of "Accounting Standard for Business Combinations", etc.

Starting from the beginning of the first quarter of fiscal 2010, the "Accounting Standard

for Business Combinations” (ASBJ Statement No. 21, December 26, 2008), the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, December 26, 2008), the “Partial Amendments to Accounting Standard for Research and Development Costs” (ASBJ Statement No. 23, December 26, 2008), the “Revised Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, December 26, 2008), the “Revised Accounting Standard for Equity Method of Accounting for Investments” (ASBJ Statement No. 16, December 26, 2008) and the “Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10, December 26, 2008) have been applied.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

	(Millions of yen)	
	As of September 30, 2010	As of March 31, 2010
Assets		
Current assets		
Cash and deposits	138,564	93,837
Notes and accounts receivable-trade	377,505	415,657
Short-term investment securities	86	163
Inventories	13,007	11,208
Other	37,409	48,913
Allowance for doubtful accounts	(2,287)	(1,356)
Total current assets	<u>564,286</u>	<u>568,424</u>
Noncurrent assets		
Property, plant and equipment		
Land	160,372	160,396
Other, net	85,366	87,598
Total property, plant and equipment	<u>245,738</u>	<u>247,994</u>
Intangible assets		
Goodwill	27,043	23,647
Other	22,958	21,733
Total intangible assets	<u>50,001</u>	<u>45,380</u>
Investments and other assets		
Investment securities	154,426	181,878
Other	74,503	76,440
Allowance for doubtful accounts	(2,326)	(1,883)
Allowance for investment loss	(106)	—
Total investments and other assets	<u>226,496</u>	<u>256,436</u>
Total noncurrent assets	<u>522,236</u>	<u>549,811</u>
Total assets	<u>1,086,522</u>	<u>1,118,236</u>

(Millions of yen)

	As of September 30, 2010	As of March 31, 2010
Liabilities		
Current liabilities		
Notes and accounts payable-trade	343,391	360,759
Short-term loans payable	2,996	3,382
Income taxes payable	2,678	6,526
Provision	626	825
Asset retirement obligations	52	—
Other	86,361	90,102
Total current liabilities	436,108	461,595
Noncurrent liabilities		
Long-term loans payable	95,017	97,576
Provision for retirement benefits	32,598	31,942
Other provision	591	862
Asset retirement obligations	733	—
Other	24,133	20,701
Total noncurrent liabilities	153,073	151,083
Total liabilities	589,181	612,679
Net assets		
Shareholders' equity		
Capital stock	58,967	58,967
Capital surplus	60,899	60,899
Retained earnings	453,241	454,014
Treasury stock	(65,060)	(65,056)
Total shareholders' equity	508,047	508,824
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(1,063)	737
Deferred gains or losses on hedges	(2,781)	(886)
Revaluation reserve for land	(7,187)	(7,187)
Foreign currency translation adjustment	(18,877)	(17,237)
Total valuation and translation adjustments	(29,909)	(24,573)
Minority interests	19,202	21,306
Total net assets	497,340	505,556
Total liabilities and net assets	1,086,522	1,118,236

(2) Quarterly Consolidated Statements of Income

	(Millions of yen)	
	Six months ended September 30, 2009	Six months ended September 30, 2010
Net sales	785,858	868,407
Cost of sales	650,935	722,511
Gross profit	134,923	145,896
Selling, general and administrative expenses		
Salaries and allowances	66,019	68,020
Provision for directors' bonuses	125	181
Provision for retirement benefits	5,707	5,445
Provision for directors' retirement benefits	100	81
Welfare expenses	8,459	8,576
Depreciation	6,839	6,451
Amortization of goodwill	987	1,379
Provision of allowance for doubtful accounts	33	475
Other	39,817	37,697
Total selling, general and administrative expenses	128,088	128,309
Operating income	6,834	17,586
Non-operating income		
Interest income	385	311
Dividends income	1,201	1,287
Foreign exchange gains	183	—
Equity in earnings of affiliates	2,594	300
Other	932	1,614
Total non-operating income	5,296	3,513
Non-operating expenses		
Interest expenses	1,153	1,093
Foreign exchange losses	—	1,465
Other	516	1,925
Total non-operating expenses	1,670	4,484
Ordinary income	10,460	16,616
Extraordinary income		
Gain on sales of noncurrent assets	861	7
Gain on sales of investment securities	—	1,366
Dividends distribution from partnership	—	444
Other	485	256
Total extraordinary income	1,347	2,074

(Millions of yen)

	Six months ended September 30, 2009	Six months ended September 30, 2010
Extraordinary loss		
Loss on sales of noncurrent assets	6	3
Loss on retirement of noncurrent assets	310	61
Impairment loss	—	3,598
Amortization of goodwill	—	8,177
Restructuring loss	657	—
Loss on liquidation of subsidiaries	426	—
Other	300	3,567
Total extraordinary losses	1,702	15,407
Income before income taxes and minority interests	10,105	3,283
Income taxes-current	3,320	2,526
Income taxes for prior periods	(2,228)	—
Income taxes-deferred	2,353	(1,860)
Total income taxes	3,445	665
Income before minority interests	—	2,617
Minority interests in loss	(478)	(241)
Net income	7,138	2,859

(3) Notes on Premise of Going Concern

No items to report

(4) Segment Information

<Segment Information>

Starting from the beginning of the first quarter of fiscal 2010, the "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, March 27, 2009) and the "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, March 21, 2008) have been applied.

1. Reportable segments

Reportable segments are corporate units within the Group for which the financial information is separately accessible. Dentsu Inc.'s Board of Directors reviews the allocation of management resources and regularly evaluates the business performance of these units.

The Group is engaged in the advertising business and other services related to communications. The three reportable segments are "Advertising," "Information Services" and "Other Businesses."

"Advertising" refers to business activities related to the development and execution of advertising via a wide range of media including newspapers, magazines, radio, television, the Internet, sales promotions, movies, outdoor and transit plus strategy planning, creative, marketing, PR, content and other services. "Information Services" refers to business activities related to the provision of information services and sales of information-related merchandise and others. "Other Businesses" refers to business activities related to the leasing of office space, building maintenance services, temporary staffing, accounting and other services.

2. Net sales and income or loss by reportable segment

Six Months Ended September 30, 2010 (from April 1, 2010 to September 30, 2010)

(Millions of yen)

	Advertising	Information Services	Other Businesses	Total	Adjustment	Amount on Quarterly Consolidated Statements of Income
Net sales	838,133	28,878	12,803	879,815	(11,407)	868,407
Segment income (loss)	15,696	(317)	776	16,156	1,430	17,586

(Notes) 1. The differences between the total of income or loss of reportable segments and the amount on the quarterly consolidated statements of income are due to the elimination of intersegment transactions and deduction of unrealized profits.

2. Segment income (loss) has been adjusted to equal the operating income on the quarterly consolidated statements of income.

3. Goodwill by reportable segment

(Significant change in amount of goodwill)

Starting from the first quarter of fiscal 2010, Dentsu Innovation Interactive, LLC became a consolidated subsidiary. As a result, Dentsu posted goodwill of 13,110 million yen for the six months ended September 30, 2010, resulting in an increase in the Advertising segment.

Dentsu amortized 8,177 million yen in the goodwill for cyber communications inc. and posted the charge as an extraordinary loss under the provision of Paragraph 32 of the "Practical Guidelines on Accounting Standards for Capital Consolidation Procedures in Preparing Consolidated Financial Statements" (Accounting Practice Committee Report No. 7, June 9, 2009). The amortization of the goodwill resulted in a decrease in the Advertising segment.

<By Geographic Segment>

Six Months Ended September 30, 2010 (from April 1, 2010 to September 30, 2010)

(Millions of yen)

	Japan	Other Countries	Total	Eliminations/ Corporate	Consolidated
Net sales	780,224	92,252	872,477	(4,069)	868,407
Operating income	16,244	1,447	17,692	(105)	17,586

<Overseas Sales>

Six Months Ended September 30, 2010 (from April 1, 2010 to September 30, 2010)

- I. Net sales in countries other than Japan: 88,733 million yen
- II. Consolidated net sales: 868,407 million yen
- III. Sales in countries other than Japan as a percentage of consolidated net sales: 10.2%

(Reference)

<By Business Segment>

Six Months Ended September 30, 2009 (from April 1, 2009 to September 30, 2009)

(Millions of yen)

	Advertising	Information Services	Other Businesses	Total	Eliminations/Corporate	Consolidated
Net sales	758,416	28,710	10,944	798,071	(12,213)	785,858
Operating income (loss)	6,007	(2,007)	1,043	5,044	1,790	6,834

<By Geographic Segment>

Six Months Ended September 30, 2009 (from April 1, 2009 to September 30, 2009)

(Millions of yen)

	Japan	Other Countries	Total	Eliminations/Corporate	Consolidated
Net sales	730,697	58,155	788,852	(2,993)	785,858
Operating income (loss)	7,505	(669)	6,835	(1)	6,834

<Overseas Sales>

Six Months Ended September 30, 2009 (from April 1, 2009 to September 30, 2009)

- I. Net sales in countries other than Japan: 60,712 million yen
- II. Consolidated net sales: 785,858 million yen
- III. Sales in countries other than Japan as a percentage of consolidated net sales: 7.7%

(5) Notes on Significant Changes in the Amount of Shareholders' Equity

No items to report

#####