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Data

Financial data

Consolidated	(Millions of yen)							
	2016	2017	2018	2019	2020	2021	2022	2023
Profit and loss statement								
Turnover	4,924,933	5,187,300	5,357,278	5,146,802	4,498,216	5,256,492	5,819,519	5,953,391
Revenue	838,359	928,841	1,018,512	1,047,881	939,243	1,085,592	1,243,883	1,304,552
Revenue less cost of sales	789,043	877,622	932,680	939,385	835,042	976,577	1,117,002	1,144,819
Operating profit (loss)	137,681	137,392	111,638	(3,358)	(140,625)	241,841	117,617	45,312
Profit (loss) before tax	132,918	149,662	148,751	(42,769)	(141,133)	208,833	100,908	33,103
Profit (loss) for the year attributable to owners of the parent	83,501	105,478	90,316	(80,893)	(159,596)	108,389	59,847	(10,714)
Underlying EBITDA*1	—	—	—	—	145,335	195,006	217,515	175,758
Underlying operating profit	166,565	163,946	153,229	140,751	123,979	179,028	203,189	163,515
Underlying net profit (attributable to owners of the parent)	112,972	107,874	97,419	76,120	69,890	109,203	130,037	89,839
Balance sheet								
Total assets	3,155,230	3,562,857	3,638,488	3,795,729	3,380,412	3,720,536	3,741,427	3,634,401
Total equity attributable to owners of the parent	932,742	1,093,211	1,047,619	974,977	756,870	845,034	880,267	841,651
Cash flow								
Net cash flow from operating activities	143,585	141,557	133,049	79,957	88,313	139,715	80,896	75,267
Net cash flow from investing activities	(156,161)	(85,531)	(61,382)	(76,051)	137,013	262,226	(24,346)	(146,297)
Net cash flow from financing activities	2,539	1,226	57,522	(7,803)	(96,622)	(232,189)	(188,192)	(153,681)
Cash and cash equivalents at end of period	242,410	305,760	416,668	414,055	530,692	723,541	603,740	390,678
Number of employees	55,843	60,064	62,608	66,400	64,533	64,832	69,066	71,127
Number of consolidated subsidiaries	844	911	976	1,004	1,007	907	881	808

*1 Underlying operating profit before underlying depreciation and amortization (excluding depreciation adjustments under IFRS 16).

Notes: The Group has adopted IFRS 15 "Revenue from Contracts with Customers" from the fiscal year ended December 31, 2018, and IFRS 16 "Leases" from the fiscal year ended December 31, 2019. The figures for prior years are not restated and based on the former standards.

Notes: The Group previously recognized intangible assets for configuration or customization costs in cloud computing contracts in accordance with IAS 38 "Intangible Assets". However, from the fiscal year 2021, based on the discussions that led to the agenda decision of the IFRS Interpretations Committee issued in April 2021, the Company has changed to a method of recognizing the cost of configuration or customization services as an expense when they are received. However, in this book, figures for prior years are presented before the change in accounting policy. Therefore the figures of the fiscal year ended December 31, 2020 differ from the 2020 figures in the Summary of Financial Results for the Fiscal Year Ended December 31, 2021 where the presentation was retrospectively restated.

Financial data

	2016	2017	2018	2019	2020	2021	2022	2023
								(%)
Organic growth rate	5.1	0.1	3.4	(1.0)	(11.1)	13.1	3.2	(4.9)
Japan	4.5	(0.3)	2.1	0.4	(8.4)	17.9	0.4	1.6
International	5.7	0.4	4.3	(1.9)	(13.0)	9.7	5.1	—
Americas	—	—	—	—	—	—	—	(7.2)
EMEA	—	—	—	—	—	—	—	(10.9)
APAC	—	—	—	—	—	—	—	(8.2)
CT&T ratio	—	—	—	—	27.5	29.1	32.3	31.9
Japan	—	—	—	—	24.5	24.4	28.5	—
International	—	—	—	—	29.7	32.6	34.6	—
Operating margin	21.1	18.7	16.4	15.0	14.8	18.3	18.2	14.5
Japan	26.8	24.5	21.7	19.1	18.0	22.9	24.1	—
International	16.2	14.6	12.9	12.2	13.7	15.9	15.7	—
Return on equity (ROE)* ¹	8.3	10.4	8.4	(8.0)	(18.4)	13.7	6.9	(1.2)
Underlying ROE* ²	11.3	10.6	9.1	7.5	8.1	13.8	15.1	10.4
Return on assets (ROA)* ³	4.3	4.5	4.1	(1.2)	(3.9)	5.9	2.7	0.9
Ratio of equity attributable to owners of the parent (Equity ratio)* ⁴	29.6	30.7	28.8	25.7	22.4	22.7	23.5	23.2
Basic earnings per share (yen)	292.85	373.11	320.39	(287.92)	(571.19)	388.79	223.33	(40.52)
Basic underlying profit per share (yen)	396.20	381.58	345.59	270.94	250.14	391.71	485.26	339.79
Cash dividend per share (yen)	85.00	90.00	90.00	95.00	71.25	117.50	155.25	139.50
Dividend payout ratio* ⁵	29.0	24.1	28.1	—	—	30.2	69.5	—
Underlying dividend payout ratio* ⁶	21.5	23.6	26.0	35.1	28.5	30.0	32.0	35.0

*1 ROE (IFRS) = Profit for the year attributable to owners of the parent ÷ Average equity attributable to owners of the parent based on equity at the beginning and end of the fiscal year x 100
 * Fiscal year-end before alignment across the Group means March
 *2 Underlying ROE = Underlying net profit (attributable to owners of the parent) ÷ Average equity attributable to owners of the parent based on equity at the beginning and end of the fiscal year x 100
 * Fiscal year-end before alignment across the Group means March

*3 ROA (IFRS) = Profit before tax ÷ Average total assets based on total assets at the beginning and end of the fiscal year x 100
 *4 Ratio of equity attributable to owners of the parent = Equity attributable to owners of the parent ÷ Total assets
 *5 Dividend payout ratio = Cash dividend per share ÷ Basic earnings per share x 100
 *6 Underlying dividend payout ratio = Cash dividend per share ÷ Basic underlying profit per share x 100
 *FY2023 is calculated based on the adjusted underlying basic EPS

Non-financial data

Environmental performance data*1

	(tCO _{2e})				
	2019*2	2020	2021	2022	2023
Scope 1	4,888	3,540	3,195	3,267	2,942
Japan	344	355	310	348	924
International	4,544	3,185	2,885	2,919	2,018
Scope 2	29,074	23,415	20,908	12,771	15,318
Japan	24,202	20,872	19,343	11,244	11,730
International	4,872	2,543	1,565	1,527	3,588
Scope 1+2	33,962	26,955	24,103	16,039	18,261
Japan	24,546	21,227	19,653	11,592	12,655
International	9,416	5,728	4,450	4,447	5,606
Scope 3	374,884	55,374	360,325	377,456	422,651
Category 1	265,960	25,615	316,082	294,923	310,775
Japan	28,773	25,202	24,284	32,398	46,113
International	237,187	413	291,798	262,525	264,662
Category 3	8,813	5,481	10,779	8,254	10,166
Japan	6,500	5,481	5,155	2,759	3,195
International	2,313	N/A	5,624	5,494	6,971
Category 4	288	1,856	3,558	4,264	3,326
Japan	0	1,856	2,978	3,416	2,525
International	288	N/A	580	848	801
Category 5	1,246	1,098	1,207	904	900
Japan	424	596	931	611	481
International	822	502	276	293	418

	(tCO _{2e})				
	2019*2	2020	2021	2022	2023
Scope 3					
Category 6	79,417	16,370	9,909	35,899	62,906
Japan	25,406	4,973	3,055	8,893	14,139
International	54,011	11,397	6,854	27,006	48,768
Category 7	13,660	4,954	14,668	27,848	27,669
Japan	5,049	4,954	2,350	1,893	3,599
International	8,611	N/A	12,318	25,955	24,070
Category 13	3,469	N/A	331	309	291
International	3,469	N/A	331	309	291
Category 15	2,031	N/A	3,790	5,055	6,617
International	2,031	N/A	3,790	5,055	6,617
Total greenhouse gas (GHG) emissions (Scope 1 + 2 + 3)	408,846	82,329	384,428	393,494	440,911

*1 Scope and method of calculation
 • Includes consolidated subsidiaries in Japan and abroad over which the Dentsu Group Inc. (“dentsu”) exercises managerial control.
 Consolidated subsidiaries that can be judged to have a negligible impact due to number of employees, type of use of bases, etc. are not included.
 • Reference made to the World Resources Institute’s (WRI) Greenhouse Gas (GHG) Protocol in the calculation.
 • Scope 1 fugitive emissions are not included as dentsu is underway of working on data collection.
 • Scope 3, Category 2 emissions for International are included in Scope 3, Category 1 emissions.
 • Scope 3, Category 8 emissions from applicable leases are calculated under Scope 1 and 2.
 • Scope 3 emissions are excluded for Categories 9-12 and 14 due to immateriality or irrelevance.
 • Scope 3, Category 13 emissions are excluded in Japan because the company does not engage in rental businesses.
 • Scope 3, Category 15 emissions for Japan are excluded due to difficulties in collecting the data necessary to calculate emissions.
 Note: For more details on methodology, please see our Independent Assurance Report.

*2 The 2019 baseline figures are as of December 31, 2023. We submitted new GHG reduction targets to the SBTi in 2024.

Non-financial data

Total electricity consumption, amount of renewable energy usage, and renewable energy rate

	2020	2021	2022	2023
Total electricity consumption (kWh)	86,675,340	72,751,938	83,661,353	65,485,764
Renewable energy usage (kWh) ^{*1,2}	46,382,752	35,397,299	29,756,238	36,207,570
Renewable energy rate	53.5%	48.7%	35.6%	55.3%

*1 Calculated according to the RE100 standard.

*2 Including the purchase of renewable energy from adjacent markets, the Group's renewable energy rate increases as follows:
2020: 59.5%, 2021: 52.5%, 2022: 37.7%, 2023: 59.0%

Governance data

	2019	2020	2021	2022	2023
Directors	12	12	13	13	10
Outside Directors (independent Outside Directors)	4(4)	5(4)	5(5)	5(5)	6(6)
Ratio of independent Outside Directors (%)	33.3	33.3	38.5	38.4	60.0
Female Directors	2	2	3	4	2
Ratio of female Directors (%)	16.7	16.7	23.1	30.8	20.0
Board of Director meeting attendance rate (%)	96.9	95.6*	99.1	100.0	98.0
Attendance rate of independent Outside Directors at Board of Director meetings (%)	93.8	100.0	98.8	100.0	99.0

* Attendance rate was 97.8% excluding times when Tim Andree was absent due to illness.

Internal reporting: number of "Speak Up" incident reports (cases)

	2019	2020	2021	2022	2023
Total	35	43	38	100	218

Internal reporting: Compliance Line reports (cases)*

	2019	2020	2021	2022	2023
Total	17	10	6	12	32

* Main report content topics include internal harassment, improper treatment, fraud in business operations, and misgivings about Company systems.

Number of internally reported complaints (cases)*

	2019	2020	2021	2022	2023
Total	194	106	136	106	164

* In 2021, previous fiscal year figures were recounted.

Subsidiaries and affiliates

As of December 31, 2023, the Group includes 808 consolidated subsidiaries and 85 affiliated companies accounted for by the equity method.

Consolidated subsidiaries

Dentsu Inc.^{*1}

Geographic area: Japan
Equity held by dentsu: 100.0%

Dentsu East Japan Inc.

Geographic area: Japan
Equity held by dentsu: 100.0%

Dentsu West Japan Inc.

Geographic area: Japan
Equity held by dentsu: 100.0%

Dentsu Kyushu Inc.

Geographic area: Japan
Equity held by dentsu: 100.0%

Dentsu Runway Inc.

Geographic area: Japan
Equity held by dentsu: 100.0%

Dentsu Digital Inc.^{*3}

Geographic area: Japan
Equity held by dentsu: 100.0% (25.0%)

Dentsu Live Inc.

Geographic area: Japan
Equity held by dentsu: 100.0%

Dentsu Promotion Plus Inc.

Geographic area: Japan
Equity held by dentsu: 100.0%

Carta Holdings, Inc.^{*2}

Geographic area: Japan
Equity held by dentsu: 53.4%

Septeni Holdings Co., Ltd.^{*1,2}

Geographic area: Japan
Equity held by dentsu: 52.6%

Information Services International-Dentsu, Ltd.^{*1,2,3,4}

Geographic area: Japan
Equity held by dentsu: 61.8% (0.0%)

Dentsu Corporate One Inc.^{*1}

Geographic area: Japan
Equity held by dentsu: 100.0%

Dentsu Creative Advertising, LLC (formerly Dentsu McGarry Bowen, LLC)^{*1,3}

Geographic area: USA
Equity held by dentsu: 100.0% (100.0%)

Dentsu Creative, LLC (formerly The 360i Network, LLC)^{*1,3}

Geographic area: USA
Equity held by dentsu: 100.0% (100.0%)

Dentsu US, Inc.^{*1,3}

Geographic area: USA
Equity held by dentsu: 100.0% (100.0%)

Merkle Group Inc^{*3}

Geographic area: USA
Equity held by dentsu: 100.0% (100.0%)

Isobar US, LLC^{*1,3}

Geographic area: USA
Equity held by dentsu: 100.0% (100.0%)

Dentsu International Americas, LLC^{*1,3}

Geographic area: USA
Equity held by dentsu: 100.0% (100.0%)

AgenciaClick - Midia Interativa S.A.^{*1,3}

Geographic area: Brazil
Equity held by dentsu: 100.0% (100.0%)

Dentsu Brasil Holdings Ltda.^{*3}

Geographic area: Brazil
Equity held by dentsu: 100.0% (100.0%)

Tag Worldwide Holdings Limited^{*3}

Geographic area: United Kingdom
Equity held by dentsu: 100.0% (100.0%)

Tag Europe Limited^{*3}

Geographic area: United Kingdom
Equity held by dentsu: 100.0% (100.0%)

Dentsu Aegis Network Central Europe Holding GmbH^{*3}

Geographic area: Germany
Equity held by dentsu: 100.0% (100.0%)

Dentsu Aegis Network Central Europe GmbH^{*3}

Geographic area: Germany
Equity held by dentsu: 100.0% (100.0%)

Dentsu France SAS^{*1,3}

Geographic area: France
Equity held by dentsu: 100.0% (100.0%)

Aegis Finance SAS^{*1,3}

Geographic area: France
Equity held by dentsu: 100.0% (100.0%)

Aegis International Holding Company B.V.^{*1,3}

Geographic area: Netherlands
Equity held by dentsu: 100.0% (100.0%)

Group Carat (Nederland) B.V.^{*1,3}

Geographic area: Netherlands
Equity held by dentsu: 100.0% (100.0%)

Dentsu Media, S.L.U.^{*1,3}

Geographic area: Spain
Equity held by dentsu: 100.0% (100.0%)

Dentsu (Shanghai) Investment Co., Ltd.^{*1,3}

Geographic area: China
Equity held by dentsu: 100.0% (100.0%)

Beijing Dentsu Advertising Co., Ltd.

Geographic area: China
Equity held by dentsu: 100.0%

Dentsu Asia Pacific Holdings Pte. Ltd.^{*1,3}

Geographic area: Singapore
Equity held by dentsu: 100.0% (100.0%)

Dentsu Singapore Holdings Pte. Ltd.^{*1,3}

Geographic area: Singapore
Equity held by dentsu: 100.0% (100.0%)

Dentsu Asia Pte. Ltd.^{*1,3}

Geographic area: Singapore
Equity held by dentsu: 100.0% (100.0%)

Dentsu Aegis Network India Private Limited^{*1,3}

Geographic area: India
Equity held by dentsu: 100.0% (100.0%)

Dentsu Australia Holdings Pty Ltd.^{*1,3}

Geographic area: Australia
Equity held by dentsu: 100.0% (100.0%)

Dentsu International Australia Pty Ltd.^{*1,3}

Geographic area: Australia
Equity held by dentsu: 100.0% (100.0%)

Dentsu Corporate Services Ltd.^{*1,3}

Geographic area: Australia
Equity held by dentsu: 100.0% (100.0%)

Dentsu International Limited^{*1}

Geographic area: United Kingdom
Equity held by dentsu: 100.0%

Dentsu International Holdings Limited^{*1,3}

Geographic area: United Kingdom
Equity held by dentsu: 100.0% (100.0%)

Portman Square US Holdings Limited^{*1,3}

Geographic area: United Kingdom
Equity held by dentsu: 100.0% (100.0%)

Dentsu International Group Participations Limited^{*1,3}

Geographic area: United Kingdom
Equity held by dentsu: 100.0% (100.0%)

Dentsu International Triton Limited^{*3}

Geographic area: United Kingdom
Equity held by dentsu: 100.0% (100.0%)

Dentsu International GPS Holdings Limited^{*1,3}

Geographic area: United Kingdom
Equity held by dentsu: 100.0% (100.0%)

Dentsu International Finance Ltd.^{*3}

Geographic area: United Kingdom
Equity held by dentsu: 100.0% (100.0%)

Dentsu International Regents Place Finance Limited^{*3}

Geographic area: United Kingdom
Equity held by dentsu: 100.0% (100.0%)

Dentsu International Treasury Limited^{*3}

Geographic area: United Kingdom
Equity held by dentsu: 100.0% (100.0%)

————— and 761 other companies

Equity-accounted investees

Video Research Ltd.

Geographic area: Japan
Equity held by dentsu: 34.2%

D2C Inc.

Geographic area: Japan
Equity held by dentsu: 46.0%

————— and 83 additional companies

*1 Specified subsidiary *2 Company that submits an annual securities report *3 In Equity held by dentsu, the figure in parentheses indicates the ratio of equity held indirectly. *4 Name changed to Dentsu Soken Inc. on January 1, 2024.

Information for shareholders / Share information

Information for shareholders (As of December 31, 2023)

Dentsu Group Inc.

Corporate Headquarters

1-8-1, Higashi-shimbashi, Minato-ku,
Tokyo 105-7050, Japan
Phone: +81-3-6217-6600

Contact Info

Investor Relations Department,
Group IR Office,
1-8-1, Higashi-shimbashi, Minato-ku,
Tokyo 105-7050, Japan
https://contact.group.dentsu.com/m/en_ir

Stock Exchange Listing

Tokyo Stock Exchange, Prime Market
Securities code: 4324

Capital

¥74,609.81 million

Total Number of Shares Issued

270,165,354

General Meeting of Shareholders

The Ordinary General Meeting of Shareholders is held in Tokyo in March each year.

Transfer Agent

The Mitsubishi UFJ Trust and Banking Corporation
4-5, Marunouchi 1-Chome, Chiyoda-ku,
Tokyo 100-8212, Japan

Corporate Website

<https://www.group.dentsu.com/en/>

Share information (As of December 31, 2023)

Breakdown of shareholders by type

	Number of shareholders	Number of shares held	Percentage of total number of shares issued
Japanese financial institutions	41	73,827,160	27.32
Japanese securities firms	48	11,288,369	4.18
Other Japanese corporations	647	71,976,822	26.64
Japanese individuals and others (Including treasury stock)	43,598	45,286,874	16.77
Foreign institutions and individuals	727	67,786,129	25.09
Total	45,061	270,165,354	100.00

Major shareholders (top 10)

Major shareholders	Number of shares held	Percentage of total number of shares issued
1 The Master Trust Bank of Japan, Ltd. (Trust accounts)	47,937,500	18.06
2 Kyodo News	18,988,800	7.16
3 Jiji Press, Ltd.	16,028,680	6.04
4 Custody Bank of Japan, Ltd. (Trust accounts)	15,290,860	5.76
5 NORTHERN TRUST CO. (AVFC) RE SILCHESTER INTERNATIONAL INVESTORS INTERNATIONAL VALUE EQUITY TRUST	11,228,000	4.23
6 Group Employees' Stockholding Association	5,247,882	1.98
7 Yoshida Hideo Memorial Foundation	4,984,808	1.88
8 NORTHERN TRUST CO. (AVFC) RE U.S. TAX EXEMPTED PENSION FUNDS	4,969,860	1.87
9 Recruit Holdings Co., Ltd.	4,929,900	1.86
10 NORTHERN TRUST CO. (AVFC) RE NON TREATY CLIENTS ACCOUNT	4,124,978	1.55

Notes:

1. The number of shares held by each trust bank includes shares related to trust services.
2. The Group holds 4,801,599 treasury shares but is excluded from the major shareholders listed above.
3. The Percentage of Total Shares Issued is calculated excluding treasury shares.

Editorial policy

In Integrated Report 2024, we proactively disclose information to set expectations around our return to organic growth and the future of our Group from a medium- to long-term perspective. In particular, we report our efforts to generate sustainable value by linking financial and non-financial aspects towards realizing our Group's corporate philosophy, including the relationship between our Materiality and corporate strategy, as well as our new 2030 Sustainability Strategy.

Target audience: All stakeholders including shareholders and investors, clients, partners, consumers, and employees.

Period covered by the report: Centered on activities during FY2023 (January 1, 2023 through December 31, 2023), but also refers to preceding and more recent activities.

Organizations covered: Dentsu Group Inc. and dentsu companies

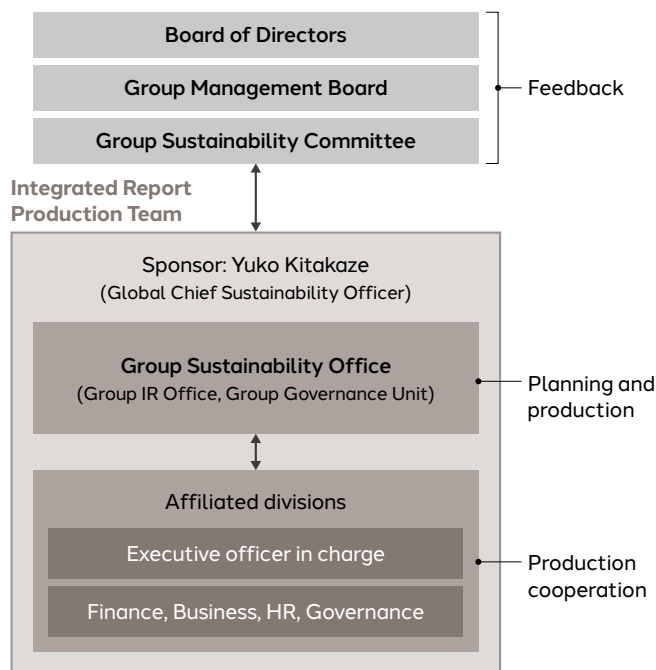
Publication date: August 2024 (Next edition scheduled for publication in August 2025)

Reference guidelines:

- IFRS Foundation, The International Integrated Reporting Framework
- Guidance for Collaborative Value Creation, Ministry of Economy, Trade and Industry
- Sustainability Reporting Standards, Global Reporting Initiative (GRI)

For the GRI content index, please refer to the link below.
<https://www.group.dentsu.com/en/sustainability/common/pdf/GRI2024.pdf>

Production structure



Forward-looking statements:

This integrated report contains statements that constitute forward-looking statements regarding the intent, belief or current expectations of Dentsu Group Inc. or its management with respect to the results of operations and the financial condition of the Group. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties. Actual results may differ from those in the forward-looking statements as a result of various factors. The information contained in this integrated report identifies important factors that could cause such differences. These forward-looking statements speak only as of the date hereof. Dentsu Group Inc. disclaims any obligation to update or publicly announce any revisions to these forward-looking statements to reflect future events, conditions, or circumstances.

Disclosure mapping

