

Consolidated Statement of Changes in Equity

Dentsu Inc. and Consolidated Subsidiaries
December 31, 2018

(Millions of Yen)

| | Notes | Total equity attributable to owners of the parent | | | | | | |
|---|-------|---|-----------------------|-----------------|---------------|---|---|--|
| | | Share capital | Share premium account | Treasury shares | Share options | Other components of equity | | |
| | | | | | | Exchange differences on translation of foreign operations | Effective portion of the change in the fair value of cash flow hedges | Net change in financial assets measured at fair value through other comprehensive income |
| As of January 1, 2017 | | ¥74,609 | ¥99,751 | ¥(20,168) | ¥48 | ¥37,403 | ¥7,120 | ¥84,409 |
| Cumulative effects of changes in accounting policies | | | | | | | | |
| Restated balance as of January 1, 2017 | | 74,609 | 99,751 | (20,168) | 48 | 37,403 | 7,120 | 84,409 |
| Profit for the year | | | | | | | | |
| Other comprehensive income | | | | | | 32,331 | (888) | 66,510 |
| Comprehensive income for the year | | – | – | – | – | 32,331 | (888) | 66,510 |
| Repurchase of treasury shares | 24 | | | (20,014) | | | | |
| Disposal of treasury shares | | | (0) | 0 | | | | |
| Dividends | 25 | | | | | | | |
| Transactions with non-controlling interests | 24 | | | | | | | |
| Transfer from other components of equity to retained earnings | | | | | | | | 337 |
| Transactions with owners—total | | – | (0) | (20,013) | – | – | – | 337 |
| As of December 31, 2017 | | ¥74,609 | ¥99,751 | ¥(40,182) | ¥48 | ¥69,734 | ¥6,231 | ¥151,258 |
| Cumulative effects of changes in accounting policies | | | | | | | | |
| Restated balance as of January 1, 2018 | | 74,609 | 99,751 | (40,182) | 48 | 69,734 | 6,231 | 151,258 |
| Profit for the year | | | | | | | | |
| Other comprehensive income | | | | | | (45,845) | 133 | (21,718) |
| Comprehensive income for the year | | – | – | – | – | (45,845) | 133 | (21,718) |
| Repurchase of treasury shares | | | | (12) | | | | |
| Disposal of treasury shares | | | (0) | 0 | | | | |
| Dividends | 25 | | | | | | | |
| Transactions with non-controlling interests | 24 | | | | | | | |
| Transfer from other components of equity to retained earnings | | | | | | | | 941 |
| Other | | | | | (48) | | | |
| Transactions with owners—total | | – | (0) | (12) | (48) | – | – | 941 |
| As of December 31, 2018 | | ¥74,609 | ¥99,751 | ¥(40,194) | – | ¥23,888 | ¥6,364 | ¥130,482 |

(Millions of U.S. Dollars)

| | Notes | Total equity attributable to owners of the parent | | | | | | |
|---|-------|---|-----------------------|-----------------|---------------|---|---|--|
| | | Share capital | Share premium account | Treasury shares | Share options | Other components of equity | | |
| | | | | | | Exchange differences on translation of foreign operations | Effective portion of the change in the fair value of cash flow hedges | Net change in financial assets measured at fair value through other comprehensive income |
| As of December 31, 2017 | | \$672 | \$899 | \$(362) | \$0 | \$628 | \$56 | \$1,363 |
| Cumulative effects of changes in accounting policies | | | | | | | | |
| Restated balance as of January 1, 2018 | | 672 | 899 | (362) | 0 | 628 | 56 | 1,363 |
| Profit for the year | | | | | | | | |
| Other comprehensive income | | | | | | (413) | 1 | (196) |
| Comprehensive income for the year | | – | – | – | – | (413) | 1 | (196) |
| Repurchase of treasury shares | | | | (0) | | | | |
| Disposal of treasury shares | | | (0) | 0 | | | | |
| Dividends | 25 | | | | | | | |
| Transactions with non-controlling interests | 24 | | | | | | | |
| Transfer from other components of equity to retained earnings | | | | | | | | 8 |
| Other | | | | | (0) | | | |
| Transactions with owners—total | | – | (0) | (0) | (0) | – | – | 8 |
| As of December 31, 2018 | | \$672 | \$899 | \$(362) | – | \$215 | \$57 | \$1,176 |

(Millions of Yen)

| | Notes | Total equity attributable to owners of the parent | | | | | Total equity |
|---|-------|---|----------|-------------------|------------|---------------------------|--------------|
| | | Other components of equity | | Retained earnings | Total | Non-controlling interests | |
| | | Remeasurements of defined benefit plans | Total | | | | |
| As of January 1, 2017 | | ¥(7,634) | ¥121,346 | ¥657,203 | ¥932,742 | ¥49,218 | ¥981,961 |
| Cumulative effects of changes in accounting policies | | 7,634 | 7,634 | (7,634) | – | – | – |
| Restated balance as of January 1, 2017 | | – | 128,981 | 649,568 | 932,742 | 49,218 | 981,961 |
| Profit for the year | | – | – | 105,478 | 105,478 | 7,663 | 113,142 |
| Other comprehensive income | | 11,547 | 109,501 | 109,501 | 109,501 | 978 | 110,479 |
| Comprehensive income for the year | | 11,547 | 109,501 | 105,478 | 214,979 | 8,642 | 223,621 |
| Repurchase of treasury shares | 24 | – | – | – | (20,014) | – | (20,014) |
| Disposal of treasury shares | | – | – | – | 0 | – | 0 |
| Dividends | 25 | – | – | (25,516) | (25,516) | (2,735) | (28,252) |
| Transactions with non-controlling interests | 24 | – | – | (8,980) | (8,980) | 1,798 | (7,182) |
| Transfer from other components of equity to retained earnings | | (11,547) | (11,210) | 11,210 | – | – | – |
| Transactions with owners—total | | (11,547) | (11,210) | (23,286) | (54,510) | (937) | (55,448) |
| As of December 31, 2017 | | – | ¥227,272 | ¥731,759 | ¥1,093,211 | ¥56,923 | ¥1,150,134 |
| Cumulative effects of changes in accounting policies | | – | – | (3,850) | (3,850) | – | (3,850) |
| Restated balance as of January 1, 2018 | | – | 227,272 | 727,909 | 1,089,360 | 56,923 | 1,146,284 |
| Profit for the year | | – | – | 90,316 | 90,316 | 7,185 | 97,501 |
| Other comprehensive income | | (7,558) | (74,989) | – | (74,989) | (3,745) | (78,735) |
| Comprehensive income for the year | | (7,558) | (74,989) | 90,316 | 15,326 | 3,439 | 18,766 |
| Repurchase of treasury shares | | – | – | – | (12) | – | (12) |
| Disposal of treasury shares | | – | – | – | 0 | – | 0 |
| Dividends | 25 | – | – | (25,370) | (25,370) | (7,229) | (32,600) |
| Transactions with non-controlling interests | 24 | – | – | (31,684) | (31,684) | 10,321 | (21,363) |
| Transfer from other components of equity to retained earnings | | 7,558 | 8,500 | (8,500) | – | – | – |
| Other | | – | (48) | 48 | 0 | (324) | (324) |
| Transactions with owners—total | | 7,558 | 8,452 | (65,507) | (57,067) | 2,766 | (54,300) |
| As of December 31, 2018 | | – | ¥160,735 | ¥752,717 | ¥1,047,619 | ¥63,129 | ¥1,110,749 |

(Millions of U.S. Dollars)

| | Notes | Total equity attributable to owners of the parent | | | | | Total equity |
|---|-------|---|---------|-------------------|---------|---------------------------|--------------|
| | | Other components of equity | | Retained earnings | Total | Non-controlling interests | |
| | | Remeasurements of defined benefit plans | Total | | | | |
| As of December 31, 2017 | | – | \$2,047 | \$6,592 | \$9,849 | \$513 | \$10,362 |
| Cumulative effects of changes in accounting policies | | – | – | (35) | (35) | – | (35) |
| Restated balance as of January 1, 2018 | | – | 2,047 | 6,558 | 9,814 | 513 | 10,327 |
| Profit for the year | | – | – | 814 | 814 | 65 | 878 |
| Other comprehensive income | | (68) | (676) | – | (676) | (34) | (709) |
| Comprehensive income for the year | | (68) | (676) | 814 | 138 | 31 | 169 |
| Repurchase of treasury shares | | – | – | – | (0) | – | (0) |
| Disposal of treasury shares | | – | – | – | 0 | – | 0 |
| Dividends | 25 | – | – | (229) | (229) | (65) | (294) |
| Transactions with non-controlling interests | 24 | – | – | (285) | (285) | 93 | (192) |
| Transfer from other components of equity to retained earnings | | 68 | 77 | (77) | – | – | – |
| Other | | – | (0) | 0 | 0 | (3) | (3) |
| Transactions with owners—total | | 68 | 76 | (590) | (514) | 25 | (489) |
| As of December 31, 2018 | | – | \$1,448 | \$6,781 | \$9,438 | \$569 | \$10,007 |