Summary of FY 2018 and Future Outlook

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* Please be reminded that the figures shown in this presentation may be different from those shown in the financial statements as this presentation has been prepared for investors to understand our businesses. Please refer to the annotations in the Appendices for each definition of the indicators.

Dentsu Group entering a new chapter

Japan Business

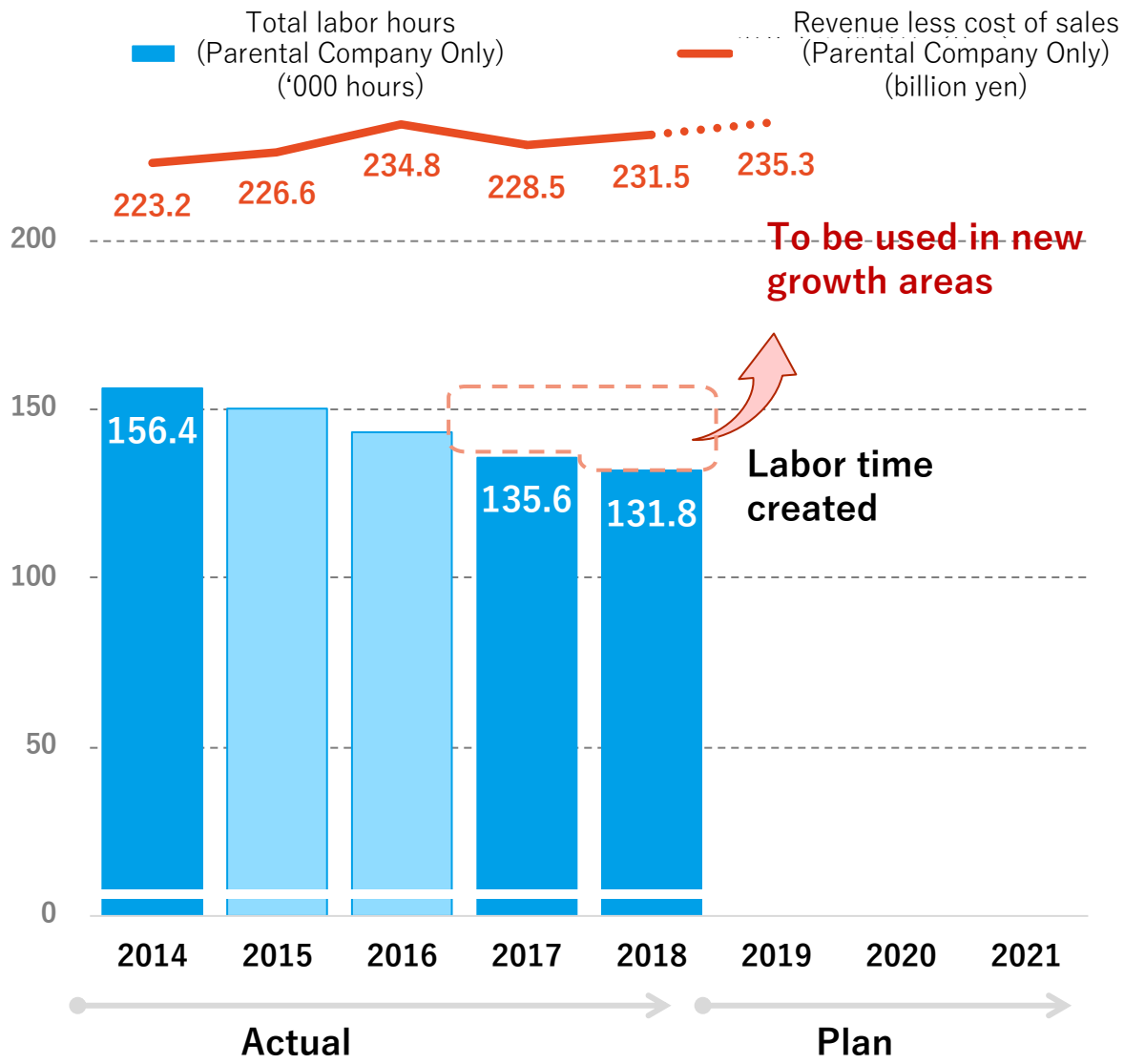
- The two-year period of the working environment reforms as a top priority was completed at the end of FY2018
- FY2019, accelerate the reform needed for performance growth and growth sustenance from the medium-term viewpoint.

International Business

- Succeeded in maintaining business momentum although performance differed between the regions.

Summary of FY 2018 ①

Achievements in working environment reform in Japan



- Working environment reforms pursued in 2017 & 2018 have already delivered efficiencies
- Dentsu Group will continue to invest in business reform for the Group in Japan to strengthen our competitive position.

Summary of FY 2018 ②

Investment and Improvement in international business

① Investment to drive efficiencies

Common platforms, systems and shared services

② Investment to drive top line growth

“Growth Platform” – proprietary system to drive collaboration

③ Investment in our people

Retain and attract the best talent

Priority Challenges in Japan Business

Strengthen capability in digital advertising

SEPTENI

DENTSU DIGITAL dentsu

1	Share best practices
2	Pursue joint sales for own media and products
3	Support for operation of digital advertising
4	Promote mutual use of assets held by each company
5	Propose on-off integrated solutions to customer bases of each company

VOYAGE GROUP

CCI

1	Strengthen customer base through expanding cross-sell activities
2	Enhance ability to develop new products
3	Expand new business areas outside digital advertising

Aiming to be the only entity in Japan at the top level in both solution and advertising

Digital solution area

Digitalization of marketing

dentsu

Dentsu isobar

DENTSU DIGITAL

iSiD IT Solution Innovator

DENTSU TEC

Digital advertising area

Optimization of communication with consumers

dentsu

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VOYAGE GROUP

Data technology

Enhancement and sophistication of the fundamentals that support digital marketing

People Driven DMP™

DD Data Artist

Supership

Rakuten Data Marketing

Priority Focus for the International Business

Levers to drive further growth

Top line Growth

- Flexibility for organization around our clients' costumers
- DAN's Integrated Solutions

Continued Differentiation

- Technology, data, and analytics collaborating with platformers
- Acquisition of new technologies and digital talents through M&A

Margin Growth

- More valuable solutions for clients
- Common systems and platforms and shared services

Priority Challenges for the Entire Group

① Strengthen common growth base for Japan business and international business

- Strengthen the data infrastructure for each of the individual markets and regions.
- Strengthen capabilities and personnel from the viewpoint of the whole Group.

② Accelerate collaboration internally and alliances externally

- Aim to proactively acquire external resources for Japan business as well.
- Connection and collaboration between our global talent with diverse professionality.

Plan for 2019

Organic growth rate in “Revenue less cost of sales”	Operating margin	Returns to the shareholders
4.0-4.5%	Similar level as 2018 to be maintained through investment for the future	Raise the dividend level by 5 yen