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Date of commencement of measures for electronic provision: February 27, 2026

**Other Items Provided Electronically for the Notice of Convocation of the  
177th Ordinary General Meeting of Shareholders  
(Items Omitted from the Paper Copy)**

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**Dentsu Group Inc.**

## II Shares and Subscription Rights to Shares

### 1. Items Related to Shares

<b>(1) Total number of authorized shares</b>	Common shares	<b>1,100,000,000</b> shares
<b>(2) Types of issued shares and total number of shares</b>	Common shares	<b>265,800,000</b> shares (Of which treasury shares <b>5,312,575</b> shares)
<b>(3) Number of shareholders</b>		<b>45,801</b> persons

### (4) Major Shareholders (Top 10)

Shareholder	No. of Shares Held	Percentage of Total Shares Issued
	(Shares)	(%)
The Master Trust Bank of Japan, Ltd. (Trust accounts)	<b>31,728,900</b>	<b>12.18</b>
Kyodo News	<b>18,988,800</b>	<b>7.29</b>
Jiji Press, Ltd.	<b>16,028,680</b>	<b>6.15</b>
Custody Bank of Japan, Ltd. (Trust accounts)	<b>12,344,200</b>	<b>4.74</b>
NORTHERN TRUST CO. (AVFC) RE SILCHESTER INTERNATIONAL INVESTORS INTERNATIONAL VALUE EQUITY TRUST	<b>10,892,100</b>	<b>4.18</b>
NORTHERN TRUST CO. (AVFC) RE U.S. TAX EXEMPTED PENSION FUNDS	<b>6,160,823</b>	<b>2.37</b>
STATE STREET BANK AND TRUST COMPANY 505001	<b>5,714,537</b>	<b>2.19</b>
Group Employees' Stockholding Association	<b>5,092,864</b>	<b>1.96</b>
Yoshida Hideo Memorial Foundation	<b>4,984,808</b>	<b>1.91</b>
NORTHERN TRUST CO. (AVFC) RE NON TREATY CLIENTS ACCOUNT	<b>4,387,751</b>	<b>1.68</b>

(Notes) 1. The number of shares held by each trust bank includes shares related to trust services.

2. The Company holds 5,312,575 treasury shares but is excluded from the major shareholders listed above.

3. The Percentage of Total Shares Issued is calculated excluding treasury shares.

### (5) Shares granted to Company officers during the fiscal year as consideration for performance of duties

No items to report.

**(6) Other Important Items Related to Shares**

No items to report.

**2. Items Related to Subscription Rights to Shares, etc.**

**(1) Summary of contents of subscription rights to shares held by company executives, etc. as of the final day of the fiscal year under review that were issued as compensation for business execution**

No items to report.

**(2) Summary of contents of subscription rights to shares that were issued to employees, etc., during the fiscal year under review as compensation for business execution**

No items to report.

**(3) Other important items regarding subscription rights to shares**

No items to report.

### III Items Related to the Company Executives

#### 4. Situation of Important Concurrent Posts

##### (1) Directors

Name and Position at the Company	Organization of Concurrent Post	Concurrent Position
<b>Gan Matsui</b> Outside Director	Yaesu Sogo Law Office	Attorney
	Orient Corporation	Outside Director (Audit and Supervisory Committee Member)
	Nagase & Co., Ltd.	Outside Corporate Auditor
	Totetsu Kogyo Co.	Outside Corporate Auditor
	Globeride, Inc.	Outside Director, member of the Audit and Supervisory Committee
<b>Arinobu Soga</b> Director, Representative Executive Officer, Executive Vice President, and Global Chief Governance Officer	Dentsu International Limited	Chair of the Board
<b>Paul Candland</b> Outside Director	YAMAHA CORPORATION	Outside Director
	PMC Partners Co., Ltd.	Managing Director
<b>Andrew House</b> Outside Director	Nissan Motor Co., Ltd.	Outside Director
<b>Mihoko Sogabe</b> Outside Director	Sogabe Certified Public Accountant Office	Representative
	Mitsui DM Sugar Co., Ltd.	Outside Director (Audit and Supervisory Committee Member)
<b>Yuka Matsuda</b> Outside Director	Matsuda Yuka CPA and Tax Accounting Office	Representative
	Mitsubishi Steel Mfg. Co., Ltd.	Outside Corporate Auditor
<b>Yoshihiko Kawamura</b> Outside Director	Kioxia Holdings Corporation	Executive Vice President and Executive Officer
	Kioxia Corporation	Executive Vice President and Executive Officer
	KONICA MINOLTA, INC.	Independent Director
	circlace Inc	Outside Director
<b>Norimitsu Takashima</b> Outside Director	T&K Partners	Attorney
	Sumitomo Mitsui Financial Group, Inc.	Outside Director
<b>Naoko Ichikawa</b> Outside Director	TSI HOLDINGS CO., LTD.	Outside Director

(Notes)

1. The above chart shows the situation of concurrent posts as of December 31, 2025.
2. Mitsui DM Sugar Co., Ltd., at which Outside Director Mihoko Sogabe serves as Outside Director (Audit and Supervisory Committee Member), has changed its company name from Mitsui DM Sugar Holdings Co., Ltd. on April 1, 2025.
3. Yaesu Sogo Law Office, to which Outside Director Gan Matsui belongs as an attorney, has changed its name to SHIN MARUNOUCHI LAW FIRM on January 8, 2026.
4. Outside Director Yuka Matsuda previously served as Outside Corporate Auditor of DKK Co., Ltd, but resigned from this position on June 27, 2025.
5. Outside Director Yoshihiko Kawamura assumed the positions of Executive Vice President and Executive Officer of Kioxia Holdings Corporation, and Executive Vice President and Executive Officer of Kioxia Corporation on June 27, 2025, and the position of Independent Director of KONICA MINOLTA, INC. on June 17, 2025.
6. Outside Director Norimitsu Takashima assumed the position of Outside Director of Sumitomo Mitsui Financial Group, Inc. on June 27, 2025.
7. There are no items to report for Director Hiroshi Igarashi and Outside Director Keiichi Sagawa.

**(2) Executive Officers**

Name and Position at the Company	Organization of Concurrent Post	Concurrent Position
<b>Takeshi Sano</b> Executive Officer	Dentsu Inc.	Representative Director, President and CEO
	TOKYO BROADCASTING SYSTEM TELEVISION, INC.	Director

(Notes)

1. The above chart shows the situation of concurrent posts as of December 31, 2025.
2. There are no items to report for Executive Officer Giulio Malegori and Executive Officer Shigeki Endo.

## 5. Items Related to Outside Directors

### (1) Status of Major Activities and Overview of Duties Performed Related to the Roles Expected of an Outside Director in the Fiscal Year under Review

Name and Category	Meetings Attended	Remarks and Overview of Duties Performed Related to the Roles Expected of an Outside Director
<p><b>Gan Matsui</b> Outside Director</p>	<ul style="list-style-type: none"> <li>· Board of Directors: 15 out of 15</li> <li>· Nominating Committee: 3 out of 3</li> <li>· Audit Committee: 5 out of 5</li> </ul>	<p>At meetings of the Board of Directors, Mr. Matsui provided suggestions that contribute to strengthening compliance and governance, and as the Chairman of the Board of Directors, promoted constructive and vigorous discussions among Directors, leveraging his many years of expertise as a prosecutor and his expert insight as an attorney. He performed an important role in strengthening the supervisory function of the Board of Directors.</p> <p>In the Nominating Committee, he actively made suggestions from the perspective of strengthening the transparency and objectivity of processes for the selection of candidates for Director and Executive Officer.</p> <p>As chair of the Audit Committee until March 28, 2025, he gathered opinions from each member and indicated guidelines. He also provided assessments and advice on how to discover the fundamental cause of issues related to compliance and risk management as well as take specific countermeasures.</p>
<p><b>Paul Candland</b> Outside Director</p>	<ul style="list-style-type: none"> <li>· Board of Directors: 15 out of 15</li> <li>· Nominating Committee: 12 out of 12</li> <li>· Compensation Committee: 10 out of 10</li> </ul>	<p>At meetings of the Board of Directors, Mr. Candland actively provided advice and suggestions, especially regarding issues such as agile business operations and strengthening the Group's medium- to long-term competitiveness based on global business trends, leveraging his abundant experience and extensive insight in global corporate management.</p> <p>He provided advice on the selection and development of global management personnel in the Nominating Committee as well as on ensuring transparency and rationality in the establishment of targets and evaluation methods for performance indicators for incentive compensation in the Compensation Committee, performing an important role in enhancing the governance of Group management.</p>

Name and Category	Meetings Attended	Remarks and Overview of Duties Performed Related to the Roles Expected of an Outside Director
<b>Andrew House</b> Outside Director	<ul style="list-style-type: none"> <li>· Board of Directors: 15 out of 15</li> <li>· Compensation Committee: 10 out of 10</li> </ul>	<p>At meetings of the Board of Directors, Mr. House provided a broad range of useful advice and suggestions from a variety of perspectives, especially regarding issues such as the Group governance and the Mid-Term Management Plan, based on examples around the world, leveraging his abundant experience and extensive insight as a manager at global companies. He made a substantial contribution to strengthening the Board's supervisory function and the competitiveness of the Group in the global environment. Moreover, as a member of the Finance Committee, an advisory body to the Board of Directors, he provided advice on strengthening financial discipline.</p> <p>As chair of the Compensation Committee, he led lively discussions from a variety of perspectives, concerning the establishment of targets and evaluation methods for performance indicators for incentive compensation, performing the role of chair appropriately.</p>
<b>Keiichi Sagawa</b> Outside Director	<ul style="list-style-type: none"> <li>· Board of Directors: 15 out of 15</li> <li>· Nominating Committee: 12 out of 12</li> <li>· Audit Committee: 14 out of 14</li> </ul>	<p>Mr. Sagawa actively provided accurate advice and suggestions, especially at meetings of the Board of Directors, facilitating the promotion of business transformation, improving management governance, and strengthening competitiveness globally, leveraging his abundant knowledge in finance at a holding company and many years of experience as a corporate manager. Moreover, as chair of the Finance Committee, he contributed to strengthening financial discipline and establishing a monitoring framework from the shareholder perspective.</p> <p>As chair of the Nominating Committee, he led vigorous discussions related to the selection of candidates for the positions of Director and Executive Officer and performed an important role to strengthen the transparency and objectivity of the candidate selection process.</p> <p>At the Audit Committee, he led discussions by identifying issues and suggesting appropriate handling of such issues in relation to the group-level governance, accounting and compliance and contributed to a stronger audit function.</p>

Name and Category	Meetings Attended	Remarks and Overview of Duties Performed Related to the Roles Expected of an Outside Director
<b>Mihoko Sogabe</b> Outside Director	<ul style="list-style-type: none"> <li>· Board of Directors: 15 out of 15</li> <li>· Audit Committee: 14 out of 14</li> <li>· Compensation Committee: 9 out of 10</li> </ul>	<p>At meetings of the Board of Directors, Ms. Sogabe actively provided useful advice and suggestions, contributing especially to enhancing the Company's financial governance and promoting internal control, leveraging her expert insight and abundant practical experience as a CPA. She performed an important role in strengthening the Board's supervisory function.</p> <p>In the Audit Committee, in rebuilding the business foundation of the International business, she contributed to improving governance by advising on matters such as ensuring that the executive division should coordinate with the Accounting Auditor more closely than ever before to report necessary information to management quickly, and ensuring the effective functioning of a mechanism that allows management to understand the frontline situations especially in the International business.</p> <p>At the Compensation Committee, she provided advice and recommendations based on her financial expertise regarding the setting of target values and evaluation metrics for performance indicators related to incentive compensation.</p>
<b>Yuka Matsuda</b> Outside Director	<ul style="list-style-type: none"> <li>· Board of Directors: 15 out of 15</li> <li>· Audit Committee: 14 out of 14</li> </ul>	<p>At meetings of the Board of Directors, Ms. Matsuda provided useful advice and suggestions, contributing especially to ensuring the Company's financial soundness, and promoting internal controls and structural reforms, leveraging her expert insight and abundant practical experience in the fields of finance, accounting, taxation and auditing as a CPA and tax accountant. Moreover, as a member of the Finance Committee, she provided advice to the Board to assist in enhancing shareholder value.</p> <p>As chair of the Audit Committee from March 28, 2025 onward, she demonstrated leadership in the management of meetings and questioned to confirm the effectiveness of a system for monitoring the group-level compliance as well as accounting and taxation issues, contributing to a stronger audit function.</p>

Name and Category	Meetings Attended	Remarks and Overview of Duties Performed Related to the Roles Expected of an Outside Director
<b>Yoshihiko Kawamura</b> Outside Director	<ul style="list-style-type: none"> <li>· Board of Directors: 11 out of 11</li> <li>· Audit Committee: 9 out of 9</li> </ul>	<p>At meetings of the Board of Directors, Mr. Kawamura provided useful suggestions contributing to strengthening of the Company's competitiveness on a global stage and enhancing financial governance, leveraging his extensive global business experience as a corporate manager, in addition to the expertise gained at finance and strategy divisions at business enterprises.</p> <p>Moreover, as a member of the Finance Committee, he provided advice to assist in strengthening financial and investment disciplines, contributing to a higher corporate value.</p> <p>In the Audit Committee, he suggested the importance of organizational internal controls actively participated by business units, and provided advice on the auditing methods by internal audit units.</p>
<b>Norimitsu Takashima</b> Outside Director	<ul style="list-style-type: none"> <li>· Board of Directors: 11 out of 11</li> <li>· Nominating Committee: 9 out of 9</li> <li>· Audit Committee: 9 out of 9</li> </ul>	<p>Mr. Takashima confirmed and made suggestions especially regarding the Company's Mid-Term Management Plan and the International business strategies, leveraging his expertise in the legal field and advanced crisis management abilities based on his many years of experience as a prosecutor. He contributed to enhancing the effectiveness of the Board of Directors and strengthening its supervisory function.</p> <p>In the Nominating Committee, he actively made suggestions from the perspective of strengthening the transparency and objectivity of processes for the selection of candidates for Director and Executive Officer.</p> <p>In the Audit Committee, he focused on root causes lying behind compliance and risk management issues and suggested that effective actions be taken. He also made insightful questions regarding financial reporting and actively confirmed the contents.</p>
<b>Naoko Ichikawa</b> Outside Director	<ul style="list-style-type: none"> <li>· Board of Directors: 11 out of 11</li> </ul>	<p>At meetings of the Board of Directors, Ms. Ichikawa made suggestions regarding appropriate management of subsidiaries and the Mid-Term Management Plan, based on her experience of business promotion at global companies and experience of management supervision as an Outside Director. She made a substantial contribution to strengthening the Group's competitiveness and achieving growth.</p>

**(2) Important Concurrent Posts and Relationship with Dentsu**

Name and Category	Concurrent Affiliation and Position	Relationship with Counterparty
<b>Gan Matsui</b> Outside Director	Yaesu Sogo Law Office Attorney	There is no special relationship with Yaesu Sogo Law Office.
	Orient Corporation Outside Director (Audit and Supervisory Committee Member)	There is a business relationship between Orient Corporation and Dentsu Inc., a significant subsidiary of the Company.
	Nagase & Co., Ltd. Outside Corporate Auditor	There is a business relationship between Nagase & Co., Ltd. and Dentsu Inc., a significant subsidiary of the Company.
	Totetsu Kogyo Co. Outside Corporate Auditor	There is no special relationship with Totetsu Kogyo Co.
	Globeride, Inc. Outside Director, member of the Audit and Supervisory Committee	There is no special relationship with Globeride, Inc.
<b>Paul Candland</b> Outside Director	YAMAHA CORPORATION Outside Director	There is a business relationship between YAMAHA CORPORATION and Dentsu Inc., a significant subsidiary of the Company.
	PMC Partners Co., Ltd. Managing Director	There is no special relationship with PMC Partners Co., Ltd.
<b>Andrew House</b> Outside Director	Nissan Motor Co., Ltd. Outside Director	There is a business relationship between Nissan Motor Co., Ltd. and Dentsu Inc., a significant subsidiary of the Company.
<b>Mihoko Sogabe</b> Outside Director	Sogabe Certified Public Accountant Office Representative	There is no special relationship with Sogabe Certified Public Accountant Office.
	Mitsui DM Sugar Co., Ltd. Outside Director (Audit and Supervisory Committee Member)	There is no special relationship with Mitsui DM Sugar Co., Ltd.
<b>Yuka Matsuda</b> Outside Director	Matsuda Yuka CPA and Tax Accounting Office Representative	There is no special relationship with Matsuda Yuka CPA and Tax Accounting Office.
	Mitsubishi Steel Mfg. Co., Ltd. Outside Corporate Auditor	There is a business relationship between Mitsubishi Steel Mfg. Co., Ltd. and Dentsu Inc., a significant subsidiary of the Company.
<b>Yoshihiko Kawamura</b> Outside Director	Kioxia Holdings Corporation Executive Vice President and Executive Officer	There is no special relationship with Kioxia Holdings Corporation.
	Kioxia Corporation Executive Vice President and Executive Officer	There is a business relationship between Kioxia Corporation and Dentsu Inc., a significant subsidiary of the Company.
	KONICA MINOLTA, INC. Independent Director	There is a business relationship between KONICA MINOLTA, INC. and Dentsu Inc., a significant subsidiary of the Company.
	circlace Inc Outside Director	There is no special relationship with circlace Inc.
<b>Norimitsu Takashima</b> Outside Director	T&K Partners Attorney	There is no special relationship with T&K Partners.
	Sumitomo Mitsui Financial Group, Inc. Outside Director	There is a business relationship between Sumitomo Mitsui Financial Group, Inc. and Dentsu Inc., a significant subsidiary of the Company.
<b>Naoko Ichikawa</b> Outside Director	TSI HOLDINGS CO., LTD. Outside Director	There is no special relationship with TSI HOLDINGS CO., LTD.

(Note)1. Outside Director Yuka Matsuda previously served as Outside Corporate Auditor of DKK Co., Ltd, but resigned from this position on June 27, 2025. There is no special relationship with DKK Co., Ltd.

## **IV Items Related to the Accounting Auditor**

### **1. Name of the Accounting Auditor**

KPMG AZSA LLC

### **2. Remuneration to the Accounting Auditor**

- (1) Fee for Accounting Auditor relating to this fiscal year 532 million yen

(Note 1) The total amount of fees to be paid to the Accounting Auditor is stated since fees in relation to audit attestation based on the Companies Act and those based on the Financial Instruments and Exchange Act are not clearly classified under the terms of the audit contract concluded between the Company and the Accounting Auditor.

(Note 2) The Audit and Supervisory Committee of the Company, in observance of the “Practical Guidelines for Cooperation with Accounting Auditors” published by the Japan Audit & Supervisory Board Members Association and in order to assess whether sufficient audit quality is assured, has checked the time required to audit each audit item and the audit fees as well as the audit plans and the results for previous fiscal years, and upon considering the appropriateness of the time required for audit and the audit fee quotations for the fiscal year under review, agrees to the fees of the Accounting Auditor under Article 399, Item 1 and Item 4 of the Companies Act.

- (2) Amount of cash and other financial benefits to be paid by Dentsu and its subsidiaries

1,098 million yen

(Note) The Company paid the Accounting Auditor for services such as advisory services related to accounting and internal controls of domestic subsidiaries, which are not included within the scope of work of Article 2, Paragraph 1 of the Certified Public Accountants Act.

### **3. Status of Audits of Subsidiaries by Entities Other than Dentsu’s Accounting Auditor**

Dentsu International Limited, which is an important Dentsu overseas subsidiary, and certain other overseas subsidiaries are audited (limited to provisions under foreign laws and regulations corresponding to the Companies Act or Financial Instruments and Exchange Act) by KPMG firms (those with certification corresponding to a certified public accountant or accounting auditor overseas), which belong to the same network as the Company’s accounting auditor.

### **4. Policy on Dismissal or Non-reappointment of the Accounting Auditor**

- (1) The Audit Committee may dismiss the Accounting Auditor upon unanimous approval from all Audit Committee Members if it is determined that any of the reasons stipulated in Article 340, Paragraph 1 of the Companies Act applied and dismissal is appropriate.
- (2) Considering factors such as the independence and business execution of the Accounting Auditor, the Audit Committee may submit a proposal to a General Meeting of Shareholders to dismiss or refuse to reappoint the Accounting Auditor if it is found that there is a possibility of a significant threat to the auditing operations of the Company, such as difficulty by the Accounting Auditor to execute business appropriately, and in the event that it is determined that such action is required from the viewpoint of effectiveness and efficiency, etc., of audit implementation, as stipulated in Article 399-2, Paragraph 3 of the Companies Act.

## V Company System and Policy

### 1. Basic Policy on the Internal Control System

The Dentsu Group Inc. (hereinafter, the “Company”) Board of Directors resolved at its meeting held to establish the systems designated under Article 416, Paragraph 1, Items (b) and (e) of the Companies Act as the Company’s Basic Policy on the Internal Control System as follows.

The Internal Control System of the Company, the four regions under the Company’s supervision (Japan, Americas, EMEA, and APAC. The same shall apply hereinafter), clusters and markets under the four regions’ umbrellas, and the Company’s subsidiaries (hereinafter, the “Group”) are designed for the Company’s Directors, Executive Officers, Group Management Team Members, employees, as well as CEOs and CFOs of the four regions under the Company’s supervision, CEOs and CFOs of the clusters and markets under the umbrella of the said regions, and Directors, Executive Officers, and employees of the Company’s subsidiaries (hereinafter, “Group Officers and Employees”) to discipline themselves while supporting the Group with fulfilling its social responsibilities and growth.

The Group shall aim to maintain and improve the Internal Control System by setting the Dentsu Group Code of Conduct as the common standard of acceptable behavior that must be observed to ensure that the execution of duties by the Group Officers and Employees comply with laws, regulations, and the Articles of Incorporation and that business operations are conducted appropriately.

#### (1) System to Ensure the Appropriateness of Operations throughout the Group

The Company will define matters that the four regions under the Company’s supervision, clusters and markets under the four regions’ umbrellas, and the Company’s subsidiaries must establish and operate as members of the Group, starting with the following items, and will ensure the appropriateness of operations throughout the Group through proper support, oversight, and management of the four regions under the Company’s supervision, clusters and markets under the four regions’ umbrellas, and the Company’s subsidiaries by the Company as a holding company.

- 1) The Dentsu Group Code of Conduct was drafted as the standard for acceptable corporate behavior and embraces the entire Group. Each subsidiary passes a resolution on the adoption of the Code.
- 2) Subsidiaries will define standards pursuant to the Dentsu Group Code of Conduct, and by resolution of a meeting of the Board of Directors, etc. will ensure compliance and risk management as members of the Group.
- 3) In addition to receiving periodic reports from the four regions under the Company’s supervision, clusters and markets under the four regions’ umbrellas, and the Company’s subsidiaries concerning their respective business operations, business results, and other significant matters, the four regions under the Company’s supervision, clusters and markets under the four regions’ umbrellas, and the Company’s subsidiaries will request advance approval, consult with, or report to the Company certain matters that may significantly impact the business operations or business results of the Company.
- 4) In order to ensure efficient and appropriate decision-making and business execution of the businesses, the Group Management Team controls, manages, and supervises the four regions through the Group Executive Management Meeting.
- 5) The Company will enforce the establishment and operation of the system described in the following on the four regions under the Company’s supervision, clusters and markets under the four regions’ umbrellas, and the Company’s subsidiaries.

- (2) Compliance System for Group Officers and Employees
  - 1) The Company's Directors, Executive Officers, Group Management Team Members, CEOs and CFOs of the four regions under the Company's supervision, CEOs and CFOs of the clusters and markets under the four regions' umbrellas, and Directors and Executive Officers of the Company's subsidiaries must perform their duties appropriately, in accordance with rules such as the Board of Directors' Rules, Rules for the Operation of the Important Committees, Directors' Rules, Executive Officers' Rules and Rules for Group Management Team Members, Executive Officers' Rules, and various Group policies.
  - 2) If a Company Director, Executive Officer, Group Management Team Member, CEO or CFO of the four regions under the Company's supervision, CEO or CFO of the clusters and markets under the four regions' umbrellas, or Director or Executive Officer of the Company's subsidiaries discovers a violation of the prevailing laws or comes across any other serious compliance-related issue, it is imperative that he/she reports it without delay to the Board of Directors or the important committees. The Audit Committee of the Company or the corporate auditors, board of corporate auditors, audit committees, or similar bodies at the relevant subsidiary must also be immediately advised of the circumstances.
  - 3) Directors, Executive Officers, and Group Management Team Members of the Company shall autonomously foster a corporate culture of compliance. They shall establish rules on compliance and, through the Group Compliance Committee established under the Group Management Board, monitor factors such as the status of compliance at each Group company, the expansion of compliance measures, and response to these measures, to maintain and enhance the Group's compliance system.
  - 4) The Company has set up a help desk for consultation regarding violations of laws and other compliance issues as well as internal and external contact points for whistleblowing as a system directly accessible to Group Officers and Employees, and operates them appropriately.
  - 5) If the Audit Committee of the Company or the corporate auditors, board of corporate auditors, audit committees, or similar bodies at each company states opinions on the compliance system or requests improvements to the system, the Company's Directors, Executive Officers, Group Management Team Members, CEOs and CFOs of the four regions under the Company's supervision, CEOs and CFOs of the clusters and markets under the four regions' umbrellas, and Directors and Executive Officers of the Company's subsidiaries must respond without delay and make the requested improvements.
  - 6) The Company has established a department to facilitate the termination of business relationships with organized crime groups and elements thereof—termed "antisocial forces"—when a link is discovered and to resolutely refuse any and all future transactions. This department functions as the liaison between the affected in-house divisions and the relevant authorities to expedite an appropriate course of action.
- (3) Systems to Ensure Efficient Execution of Duties by the Company's Executive Officers and Group Management Team Members as well as CEOs and CFOs of the four regions under the Company's supervision, CEOs and CFOs of the clusters and markets under the four regions' umbrellas, and Directors and Executive Officers of the Company's Subsidiaries
  - 1) The Group holds a wide variety of meetings of various committees in addition to a wide array of meetings of the Board of Directors, the Group Management Board, and the Group Executive Management Meeting, in order to ensure efficient execution of duties by the Company's Executive Officers and Group Management Team Members as well as CEOs and CFOs of the four regions under the Company's supervision, CEOs and CFOs of the clusters and markets under the four regions' umbrellas, and Directors and Executive Officers of the Company's subsidiaries, and makes decisions on important matters pertaining to management policy and strategy appropriately and flexibly.
  - 2) Items resolved at such meetings are transmitted to all employees through the corporate structure for

prompt reflection in the execution of duties. Urgent items are posted on the internal electronic bulletin board in the interest of rapid dissemination.

- (4) Storage and Management of Information Related to the Execution of Duties by the Company's Executive Officers and Group Management Team Members as well as CEOs and CFOs of the four regions under the Company's supervision, CEOs and CFOs of the clusters and markets under the four regions' umbrellas, and Directors and Executive Officers of the Company's Subsidiaries

Information concerning the execution of duties by Executive Officers and Group Management Team Members of the Company, CEOs and CFOs of the four regions under the Company's supervision, CEOs and CFOs of the clusters and markets under the four regions' umbrellas, and Directors and Executive Officers of the Company's subsidiaries is stored and managed appropriately, in accordance with laws, regulations, and the Company's Documentation Management Rules and Information Management Rules etc.

- (5) Risk Management System

- 1) The Executive Officers and Group Management Team Members of the Company adequately address the risks in uncertain factors in the future that may impede the achievement of the Group's management targets by avoidance and reduction of the risks or any other actions and establish risk management regulations to make use of addressing the risks as opportunities for improvement. The Group Risk Committee, set up under the Group Management Board, performs self-checks with regard to the situation of risk management, selects material risks to be handled, and implements risk management based on concrete response plans.
- 2) The response policy for material risks in management and other material items concerning risk management are discussed primarily by the Group Risk Committee or Risk Committee, etc. in the four regions and are reported to the Board of Directors and the Audit Committee of the Company or the corporate auditors, board of corporate auditors, audit committees, or similar bodies at each company based on necessity.

- (6) Internal Structure to Support the Audit Committee and its Independent Status

The Company has an Audit Committee Office, which consists of employees who assist the Audit Committee in its duties. This office reports directly to the Audit Committee, thereby preserving its independence from Executive Officers and Group Management Team Members and the effectiveness of instructions from the Audit Committee.

- (7) System for Reporting to the Audit Committee and Improving Audit Effectiveness

- 1) Policies are in place to define issues that Group Officers and Employees (excluding the Company's Directors who are members of the Audit Committee, the same applies hereinafter in this section) are required to report to the Audit Committee, while at the same time, the system ensures that significant matters that have an impact on the Group's business operations or business results are reported by Group Officers and Employees to the Audit Committee in a certain and prompt manner.
- 2) In the event that the Audit Committee requests information other than that indicated in the previous item, Group Officers and Employees are still required to respond without delay.
- 3) It will be ensured that parties who report under the condition of the previous items do not receive disadvantageous treatment as a result of reporting.
- 4) Pursuant to laws and regulations, a policy will be defined to account for expenses, etc., incurred during

the course of execution of duties by the Audit Committee, and this information will be disseminated to concerned parties.

- 5) To enhance audit effectiveness, the Company ensures coordination with internal audit functions and external auditors.
- (8) System to Ensure Appropriateness of Financial Reporting
- 1) The Representative Executive Officer and President (Global CEO), the Representative Executive Officer and Executive Vice President (Global CGO), and the Global CFO of the Company shall maintain and continuously improve a system that ensures appropriateness in financial reporting by the Group under the supervision of the Board of Directors.
  - 2) The Company's departments involved in business activities, the four regions under the Company's supervision, the clusters and markets under the four regions' umbrellas, and subsidiaries of the Company shall perform self-checks through their everyday operations to ascertain whether the established internal controls are functioning appropriately. The four regions under the Company's supervision, the clusters and markets under the four regions' umbrellas, and subsidiaries of the Company shall report the results of these self-checks to the Company.
  - 3) The Group Internal Control Office and the Group Internal Audit Office shall monitor the Internal Control System from a perspective free of operational bias to assess the effectiveness of internal controls related to financial reporting.

## 2. Summary of Operational Status of the Internal Control System

In adherence to the Basic Policy on Internal Control stated in 1. above which has been resolved by the Board of Directors, the Company is promoting the development and operation of an Internal Control System upon establishing Internal Control System Management Rules, Risk Management Policy, Document Management Rules, and other internal rules and regulations, holding meetings of the Internal Control and Risk Committee and other committees, and with the department in charge of internal control serving as the core.

The summary of operational status is as follows:

### (1) Ensuring Appropriate Group Operations

The Company is working to make it known through intranet and e-learning compliance training in accordance with revised the Dentsu Group Code of Conduct, as a code of conduct for Group employees. The Company identifies applicable companies in advance, sets the rules to be followed as a corporate group, and requests each company to comply with them. At the end of a fiscal year, the Company checks whether applicable companies in Japan and overseas are performing operations in accordance with the aforementioned rules and calls for improvement if there are any issues.

### (2) Internal Control System for Group Officers and Employees

The Group Management Board, which is the supreme executive decision-making body, is responsible for establishing and monitoring the operation of plans in line with the Basic Policy on the Internal Control System and promotes the improvement of corporate behavior. The new position of CGO, in charge of internal controls, compliance, risk management, and sustainability, was established in 2023. The CGO is engaged in strengthening corporate governance and improving disclosure.

### (3) Compliance System

The Company has established the Group Compliance Committee under the Group Management Board mainly to approve the Group's compliance program and action plan, monitor the implementation of the compliance program and action plan, direct the implementation of the compliance program and action plan in the four regions managed by the Company, as well as monitor the implementation status of the plans. The progress of the compliance program implemented in FY2025 is as follows.

The compliance risk assessment started in FY2023 was completed for all target markets by FY2025. Based on the assessment results, risk mitigation measures are being implemented steadily in each region. Toward embodying a corporate culture that emphasizes integrity and trust founded on psychological safety, we encourage employees to use the internal reporting system Speak Up @dentsu operated globally by the Group. Messages were sent to all officers and employees from Hiroshi Igarashi, the Company's Global CEO, so that all employees may play an active role in fostering an open culture of accountability. To ensure thorough compliance, a mandatory training is provided regarding important compliance matters, such as the Dentsu Group Code of Conduct, prevention of bribery and corruption, and conflict of interest.

At dentsu Japan, the Mindset and Behavior Reform has been underway in response to the incident related to the Tokyo 2020 Olympic and Paralympic Games. All 17 initiatives set forth in the Reform were completed by the end of FY2024. From FY2025 onward, the Company is engaged in various initiatives as the dentsu Japan Mindset and Behavior Reform Project under a new structure led by the COO of dentsu Japan, with the dentsu Japan Chief Branding/Culture Officer as sub-leader. In FY2025, for the purpose of instilling an organizational culture based on integrity and ensuring a high level of compliance, we set a slogan "Look beyond the immediate" and developed new internal websites, posters and movies. The transformation is being promoted with each company and organization working to promote compliance awareness and integrity education independently through efforts such as sharing meetings, roundtable meetings, and the integrity hint book 2025. To monitor the progress, we conduct an employee survey on

their awareness of the dentsu Japan Mindset and Behavior Reform on a continual basis.

(4) Risk Management

The Group Risk Committee was established in 2023 as an expert committee under the Group Management Board. The Committee is engaged in enhancing and controlling the Group-wide risk management function. Through the Group Risk Committee, the Company operates the following items as “enterprise risk management (ERM)” at the Group level, and they have been on the agenda of the Group Executive Management Meeting; 1) identifying risks that impede the Company’s efforts to achieve its management targets, 2) evaluating identified risks, 3) specifying “material risk,” which may have a significant impact on the Company, 4) formulating a plan to minimize such “material risk,” and 5) reporting progress in dealing with such “material risk.” In addition to 1) to 5) above, important matters such as the Group’s basic policy on risk management, risk registers, risk sponsors (Group management members, etc.), risk response plans, and the status of risk management in Japan, the Americas, EMEA, and APAC, are deliberated by the governance committees in each region and risk & compliance committees in each of clusters and markets before being discussed by the Group Risk Committee and submitted as agenda items or reported to meetings of the Group Management Board. Formulation and implementation of plans to deal with risks are led by risk sponsors and each specialized department on a companywide level.

(5) Structures to Ensure the Appropriateness of Financial Reporting

In May 2025, in response to the “Internal Control Reporting System” stipulated in Article 24-4-4 of the Financial Instruments and Exchange Act, the Company formulated the “Basic Plan” which provides the companies and business processes applicable for evaluation and the evaluation system, etc., upon discussion with the Accounting Auditor. Following the Basic Plan, the departments executing the business applicable for evaluation and applicable group companies confirm that internal control is implemented appropriately and functioning effectively in daily operations and such companies make reports on such confirmation to the Company.

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Amounts in this business report less than one full unit have been rounded down.

## Consolidated Statement of Financial Position

(As of December 31, 2025)

(Unit: Million yen)

<b>Assets</b>		<b>Liabilities and Equity</b>	
Account item	Amount	Account item	Amount
Current assets	2,301,403	Current liabilities	2,145,241
Cash and cash equivalents	295,183	Trade and other payables	1,655,434
Trade and other receivables	1,818,316	Bonds and borrowings	122,067
Inventories	9,492	Other financial liabilities	71,037
Income tax receivables	41,514	Income tax payables	37,271
Other financial assets	22,289	Provisions	18,864
Other current assets	60,899	Other current liabilities	210,390
Non-current assets classified as held for sale	53,707	Liabilities directly associated with non-current assets classified as held for sale	30,176
Non-current assets	905,383	Non-current liabilities	613,590
Property, plant and equipment	22,967	Corporate bonds and borrowings	346,174
Goodwill	320,102	Other financial liabilities	198,914
Intangible assets	178,219	Liability for retirement benefits	15,868
Right-of-use assets	104,511	Provisions	13,048
Investments accounted for using the equity method	53,164	Other non-current liabilities	6,259
Other financial assets	107,661	Deferred tax liabilities	33,325
Other non-current assets	65,690	<b>Total liabilities</b>	<b>2,758,832</b>
Deferred tax assets	53,066	Total equity attributable to owners of the parent	374,849
<b>Total assets</b>	<b>3,206,787</b>	Share capital	74,609
		Share premium account	75,862
		Treasury shares	(26,494)
		Other components of equity	201,359
		Retained earnings	49,511
		Non-controlling interests	73,105
		<b>Total equity</b>	<b>447,954</b>
		<b>Total liabilities and equity</b>	<b>3,206,787</b>

## Consolidated Statement of Income

(From January 1, 2025 to December 31, 2025)

(Unit: Million yen)

Account item	Amount
Revenue	1,435,245
Cost of sales	237,715
Net revenue	1,197,530
Selling, general and administrative expenses	1,048,986
Restructuring cost	33,046
Impairment loss	402,563
Other income	882
Other expenses	3,028
Operating loss	(289,212)
Share of results of associates	3,868
Impairment loss of associates	958
Gain on sales of shares of associates	254
Loss before interest and tax	(286,046)
Finance income	7,617
Finance costs	28,359
Loss before tax	(306,789)
Income tax expense	12,150
Loss for the year	(318,939)
Loss attributable to:	
Owners of the parent	(327,601)
Non-controlling interests	8,661

## Consolidated Statement of Changes in Equity

(From January 1, 2025 to December 31, 2025)

(Unit: Million yen)

	Total equity attributable to owners of the parent					
	Share capital	Share premium account	Treasury shares	Other components of equity		
				Exchange differences on translation of foreign operations	Effective portion of the change in the fair value of cash flow hedges	Hedge cost
As of January 1, 2025	74,609	75,373	(26,559)	151,599	17,058	—
Cumulative effect of accounting change					1,131	(1,131)
Restated balance (as of January 1, 2025)	74,609	75,373	(26,559)	151,599	18,190	(1,131)
Profit (Loss) for the year						
Other comprehensive income				8,393	(5,553)	240
Comprehensive income for the year	—	—	—	8,393	(5,553)	240
Repurchase of treasury shares			(2)			
Disposal of treasury shares		(17)	67			
Dividends						
Transactions with non-controlling interests						
Transfer from other components of equity to retained earnings						
Transfer to non-financial assets					(1,757)	
Other changes		506				
Transactions with owners – total	—	489	65	—	(1,757)	—
As of December 31, 2025	74,609	75,862	(26,494)	159,993	10,879	(890)

(Unit: Million yen)

	Total equity attributable to owners of the parent							Total equity
	Other components of equity			Retained earnings	Total	Non-controlling interests		
	Net change in financial assets designated as at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total					
As of January 1, 2025	47,822	—	216,481	356,933	696,838	72,197	769,035	
Cumulative effect of accounting change			—		—		—	
Restated balance (as of January 1, 2025)	47,822	—	216,481	356,933	696,838	72,197	769,035	
Profit (Loss) for the year			—	(327,601)	(327,601)	8,661	(318,939)	
Other comprehensive income	3,047	23,534	29,662		29,662	(180)	29,481	
Comprehensive income for the year	3,047	23,534	29,662	(327,601)	(297,939)	8,481	(289,458)	
Repurchase of treasury shares			—		(2)		(2)	
Disposal of treasury shares			—		50		50	
Dividends			—	(18,105)	(18,105)	(6,717)	(24,822)	
Transactions with non-controlling interests			—	(3,448)	(3,448)	(855)	(4,304)	
Transfer from other components of equity to retained earnings	(19,492)	(23,534)	(43,026)	43,026	—		—	
Transfer to non-financial assets			(1,757)		(1,757)		(1,757)	
Other changes			—	(1,293)	(786)		(786)	
Transactions with owners – total	(19,492)	(23,534)	(44,783)	20,179	(24,050)	(7,572)	(31,622)	
As of December 31, 2025	31,377	—	201,359	49,511	374,849	73,105	447,954	

## Notes to Consolidated Financial Statements

### 1. Significant matters for preparing consolidated financial statements

#### (1) Basis of preparation of consolidated financial statements

The consolidated financial statements of Dentsu Group Inc. (hereinafter the “Company”) are prepared in accordance with International Financial Reporting Standards (hereinafter “IFRS”) under the Paragraph 1 of Article 120 of the Ordinance on Company Accounting. Under the provisions of the second sentence of the same paragraph of the same Ordinance, some disclosure items required under IFRS are omitted.

#### (2) Scope of consolidation

Number of consolidated subsidiaries, including Dentsu International Limited, is 684.

#### (3) Scope of equity method

Number of associates, including Video Research Ltd., accounted for using the equity method is 67.

#### (4) Accounting policies

##### 1) Basis and method of valuation for significant assets

##### i Non-derivative financial assets

##### a. Financial assets measured at amortized cost

Non-derivative financial assets are classified as financial assets measured at amortized cost if both of the following conditions are met.

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets measured at amortized cost are measured at amortized cost using the effective interest method.

The Group recognizes allowance for doubtful accounts for expected credit loss on financial assets measured at amortized cost.

##### Determination of significant increase in credit risk

At the end of each fiscal year, the Group compares the risk of a default occurring on financial assets as of the end of the fiscal year with the risk of a default occurring at the date of initial recognition and assesses whether the credit risk on the financial assets has increased significantly after the initial recognition.

The Group determines whether the credit risk on the financial assets has increased significantly based on the changes in the risk of a default after the initial recognition. In assessing whether there is any change in the risk of default, the Group primarily takes into account the past due information, in addition to the following matters.

- Significant change in a credit risk rating of the financial assets by external rating agencies
- Downgrading of an internal credit risk rating
- Deterioration of the borrower’s operating results

##### Expected credit loss approach

Expected credit loss are the present value of the difference between contractual cash flows the Group has a right to receive pursuant to a contract and the cash flows expected to be received by the Group. If the credit risk on financial assets has increased significantly after initial recognition, the Group measures the allowance for doubtful accounts for the financial assets at an amount equal to the lifetime expected credit loss. If the credit risk has not increased significantly, the Group measures the allowance for doubtful accounts for the financial assets at an amount equal to 12-month expected credit loss.

Notwithstanding the above, the Group always measures the allowance for doubtful accounts at an amount equal to lifetime expected credit loss for trade receivables that do not contain a significant finance component.

In measuring expected credit loss, the Company uses reasonable and supportable information about past events, current conditions and forecasts of future economic conditions that is available at the reporting date. The expected credit loss of individually significant financial assets are assessed on an individual basis, and the expected credit loss of the remaining financial assets are assessed collectively in groups that share similar credit risk characteristics such as the geographical location, the number of days that the asset is past due, the status of the protection of the asset, the external credit ratings, and allowance for expected credit loss is recorded.

In a case when it is determined that it is impossible or extremely difficult to collect all or part of a financial asset, e.g. a case when the debtor does not make the payment within 90 days from the due date, the Company decides that the financial asset is in default.

When a financial asset is in default or when the issuer or the debtor of a financial asset is experiencing significant financial difficulty, the Company determines that the credit is impaired.

The provision of the allowance for doubtful accounts for financial assets is recognized in profit or loss. The reversal of the allowance for doubtful accounts, if any, is recognized in profit or loss.

If the collection is not reasonably assured, such as when obligor cannot perform repayment plan that was agreed with the Group, financial assets are directly amortized. Generally, this action is taken when the Group judges that a borrower does not have assets or source of income that can generate enough cash flows to repay the amount of the financial assets subject to direct amortization. The Group continues enforcement activities for directly amortized financial assets in order to collect past due receivables.

b. Financial assets measured at fair value through profit or loss

At the time of initial recognition, equity financial instruments not designated as financial assets measured at fair value through other comprehensive income and debt financial instruments that do not satisfy amortized cost criteria are classified as financial assets measured at fair value through profit or loss.

Subsequent to initial recognition, financial assets measured at fair value through profit or loss are remeasured at fair value at each fiscal year-end, and changes in fair value subsequent to initial recognition and revenue such as dividends are recognized in profit or loss.

c. Financial assets measured at fair value through other comprehensive income

Equity financial instruments not held-for-sale, in principle, are designated as financial assets measured at fair value through other comprehensive income at the time of initial recognition.

Subsequent to initial recognition, financial assets measured at fair value through other comprehensive income are measured at fair value. Changes in fair value subsequent to initial recognition are recognized in other comprehensive income, and are transferred to retained earnings if a financial asset is derecognized or the fair value declines significantly. Dividends derived from these financial assets are recognized in profit or loss for the year.

ii Derivative financial instruments and hedge accounting

The Group utilizes derivative financial instruments, such as foreign exchange contracts and interest rate swap contracts, to hedge its foreign currency risks and interest rate risks, respectively. At the inception of the hedge, the Group designates and documents the relationship between hedging instruments and hedged items, as well as the objectives and strategies of risk management for undertaking the hedge. The documentation includes hedging relationships, the risk management objective, strategies for undertaking the hedge, and an assessment of the hedge effectiveness.

These hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows, and the hedging relationships are assessed on an ongoing basis to determine whether they actually have been highly effective throughout the hedging periods.

Derivative financial instruments are initially recognized at fair value. In addition, derivatives are measured at fair value after initial recognition and changes in the fair value are accounted for as follows.

a. Cash flow hedge

For the effective portion of gain or loss on hedging instruments, changes in the fair value are recognized in other comprehensive income. The amounts recognized in other comprehensive income are recognized in profit or loss when the cash flows from the hedged items affect profit or loss.

For the ineffective portion, changes in the fair value are recognized in profit or loss.

If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or a hedged forecast transaction for a non-financial asset or a non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the amounts recognized in other comprehensive income are included in the initial carrying amount of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, when the hedge no longer meets the criteria for hedge accounting, or when hedging designation is revoked.

b. Hedge of net investment in foreign operations

Translation differences resulting from the hedges of a net investment in a foreign operation are accounted for similarly to cash flow hedges.

Gain or loss on the hedging instrument relating to the effective portion of the hedge are recognized in other comprehensive income while those for the ineffective portion are recognized in profit or loss.

On disposal of the foreign operation, the cumulative gain or loss recognized in equity as other comprehensive income are reclassified to profit or loss.

c. Derivative financial instruments not designated as hedges

Changes in the fair value of derivative financial instruments are recognized in profit or loss.

iii Inventories

The inventories are measured at the lower of acquisition cost or net realizable value. The acquisition cost of inventories is determined mainly by the specific identification method.

2) Depreciation method for significant depreciable assets

i Property, plant and equipment

Property, plant, and equipment is presented at acquisition cost using the cost model subsequent to initial recognition less accumulated depreciation and accumulated impairment loss. The acquisition cost includes any costs directly attributable to the acquisition of the asset and dismantlement, removal and restoration costs.

Except for assets such as land that are not depreciated, property, plant, and equipment are depreciated mainly using the straight-line method over their estimated useful lives. However, right-of-use assets are depreciated using the straight-line method over the shorter of their estimated useful lives or lease terms.

ii Intangible assets

Intangible assets are presented at acquisition cost using the cost model subsequent to initial recognition less accumulated amortization and accumulated impairment loss. Intangible assets acquired separately are measured at acquisition cost for their initial recognition, and the costs of intangible assets acquired in business combinations are recognized at fair value at the acquisition date. The acquisition cost for internally generated intangible assets is the sum of the expenditures incurred from the date when the intangible asset first meets all of the capitalization criteria.

Intangible assets are amortized using the straight-line method over their estimated useful lives. However, right-of-use assets are amortized using the straight-line method over the shorter of

their estimated useful lives or lease terms.

- 3) Goodwill  
Goodwill is presented at acquisition cost less accumulated impairment loss. Goodwill is not amortized.  
Impairment tests for goodwill are performed once a year, irrespective of whether there is any indication that it may be impaired, and in cases where there is an indication of impairment.
- 4) Recognition of significant provisions  
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the obligation will be required to be settled and a reliable estimate can be made for the amount of the obligation. Where the effect of the time value of money is material, provisions are measured based on the present value using a discount rate reflecting the risks specific to the liability.
- 5) Post-employment benefits  
The Group has set up defined benefit plans and defined contribution plans as employee retirement benefit plans. For defined benefit plans, the Group recognizes the difference between the present value of defined benefit obligations and the fair value of any plan assets as either liabilities or assets. For each of the defined benefit plans, the Group determines the present value of defined benefit obligations, related current service cost and past service cost using the projected unit credit method. Discount rate is determined based on high quality corporate bonds yield rate at fiscal year-end for the discount period which is set for the projected period until the expected date of benefit payment in each fiscal year.  
Service costs and interest costs of defined benefit plans are recognized in profit or loss, and net interest is determined using the discount rate described above. Remeasurements of defined benefit plans are recognized in other comprehensive income in the period when they are incurred, and are immediately transferred to retained earnings. Past service costs are recognized in profit or loss in the period incurred.  
The cost for retirement benefits for defined contribution plans is recognized in profit or loss in the period in which the employees render the related services.
- 6) Foreign currency translation  
Foreign currency transactions are translated into each functional currency of the Group entity using the exchange rate at the date of the transaction.  
At each fiscal year-end, monetary assets and liabilities denominated in foreign currencies, and non-monetary assets and liabilities denominated in foreign currencies carried at fair value are translated into the functional currency at closing rate, and the resulting translation differences are recognized in profit or loss.  
Non-monetary items measured at foreign currency-denominated costs are translated at exchange rate at the date of transaction.  
For financial statements of foreign operations, assets and liabilities are translated into Japanese yen at closing rate for a reporting period, and revenue and expenses are translated into Japanese yen using the average rate for the reporting period unless there are significant changes in the exchange rate. Resulting translation differences are recognized in other comprehensive income, and cumulative differences are recognized in other components of equity.  
When a foreign operation of the Group is disposed of, cumulative translation differences relating to that foreign operation are transferred to profit or loss.
- 7) Revenue  
Revenues are recognized based on the following five-step approach.  
Step 1: Identify the contract(s) with a customer  
Step 2: Identify the performance obligations in the contract  
Step 3: Determine the transaction price  
Step 4: Allocate the transaction price to the performance obligations in the contract  
Step 5: Recognize the revenue when a performance obligation is satisfied

The Group provides advertising, information services, and other businesses to clients.

In the advertising business, the Group primarily places advertisements to various media and provides services such as advertisement production and various content services including creative services.

Revenue from advertisement placement to various media is recognized primarily when the advertisement is placed to the media because the control over the service is transferred to a client, and the performance obligation of the Group is satisfied at that point of time.

Regarding advertisement production, the performance obligation is to provide a series of management operations from planning, production, filming, editing through to completion. The performance obligation of such management operations is considered to be satisfied evenly due to its nature, and the performance obligation makes progress according to the elapsed period of time. Hence, the revenue is recognized for a certain period of time on a pro-rata basis over the contract period during which the performance obligation is satisfied.

Regarding provision of services such as various content services, the primary services are the rights business such as marketing rights of sporting events. In the rights business such as marketing rights of sporting events, the performance obligation is to make the rights such as marketing rights available to the client. Among such transactions, regarding those relating to complex rights in which the client obtains multiple rights at multiple points of time, the rights will become available to the client for a certain period of time, and the performance obligation is considered to be satisfied evenly due to its nature. Hence, the performance obligation is primarily satisfied over time during the contract period, and the revenue is recognized on a pro-rata basis over the contract period during which the performance obligation is satisfied. Regarding transactions other than those mentioned above, the right to use the right is transferred to the client at one point of time when the right becomes available to the client, and the performance obligation of the Group is satisfied. Hence, the revenue is recognized at that point of time.

For the advertising business, as the Group determines that it acts justifiably as an agent given the principal responsibility for the performance of commitments, inventory risk, and discretion over pricing among others, it records the revenue primarily at the price the client pays as the remuneration for the services it renders net of relevant cost, or at a certain remuneration price paid in the form of a commission. However, for some transactions in which the Group determines that it acted justifiably as a principal, the price the client paid and the cost are reported on a gross basis.

In the advertising business, the price for a transaction is received primarily within one year after the satisfaction of the performance obligations, and does not contain a significant finance component.

In the information services business, the Group mainly provides services including sale of software products, commissioned system development, outsourcing and operation and maintenance services. Revenue from sale of software products is recognized at the time of delivery to the clients when the control over the products is transferred to the clients, and the Group's performance obligations are satisfied. Revenue from software developed by commission is recognized depending on the progress of the development because, as the development progresses, the value of the clients' assets increases, the clients gain the control over the assets, and the Group's performance obligations are satisfied. The progress of the development is calculated based on the ratio of the inputs (incurred costs) already used to satisfy the performance obligations to the total inputs expected to be used until the performance obligations are completely satisfied. In connection with the operation and maintenance services, as the performance obligations are satisfied over time during the contract period, revenue is recorded on a pro-rata basis over the contract period during which the performance obligations are satisfied.

The Group determines revenue from the information services business by deducting discounts and others from a price as provided in a sales agreement. As the Group determines that it acts justifiably as an agent given the principal responsibility for the performance of commitments, inventory risk, and discretion over pricing among others, it records the revenue and the cost on a gross basis.

In the information services business, the price for a transaction is received primarily within one year after the satisfaction of the performance obligations, and does not contain a significant finance component.

In other businesses, the Group is engaged in businesses including the provision of specialised functions in the corporate sphere, office leasing, building management services, and commissioned computing operation businesses.

8) Application of the Japanese Group Relief System  
The Company and certain subsidiaries apply the Japanese Group Relief System.

9) All figures are rounded down to the nearest million yen.

## 2. Changes in Accounting Policy

In the previous fiscal year, the Group applied accounting treatment for hedge accounting based on IAS 39, in accordance with the transitional measures in IFRS 9. From the start of the fiscal year ended December 31, 2025, the Group has changed to accounting treatment based on IFRS 9. As a result, the cumulative change in fair value associated with the foreign currency basis spread in interest rate and currency swaps, which was previously included in “Effective portion of the change in the fair value of cash flow hedges” in the Consolidated Statement of Changes in Equity, is now accounted for separately as “Hedge cost.”

On the Consolidated Statement of Changes in Equity for the fiscal year ended December 31, 2025, this change in accounting policy has resulted in the recording of “Hedge cost” of (1,131) million yen as of January 1, 2025, while the balance of “Effective portion of the change in the fair value of cash flow hedges” has increased by equivalent amounts as of the same dates. This change in accounting policy has no impact on the opening balance of retained earnings for the fiscal year ended December 31, 2025.

## 3. Notes on accounting estimates

Of the amounts recorded in the consolidated financial statements for the fiscal year ended December 31, 2025 based on accounting estimates, items that may have a significant impact on the consolidated financial statements for the fiscal year ending December 31, 2026 are as follows.

### Valuation of goodwill

#### 1. Amount recorded in consolidated financial statements

Goodwill	320,102 million yen
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The above includes goodwill of 27,272 million yen in Japan, 278,318 million yen in the Americas region and 14,512 million yen in the EMEA region.

#### 2. Information regarding details of significant accounting estimates related to identified items

In valuing goodwill, the Company conducts an impairment test for Japan, the Americas region, the EMEA region, and the APAC region with each acting as a separate group of cash-generating units, and the Company furthermore conducts an impairment test on the entire international business and the entire Dentsu Group.

The Company calculates the recoverable amount in the impairment test for cash-generating unit groups to which goodwill has been allocated based on the value in use, which is derived from the business forecast for the five years starting from the next fiscal year, including the budget for the subsequent consolidated fiscal year approved by management. In addition, the value in use is calculated on the assumptions of operating margin, growth rate for net revenue, continuous growth rate, discount rate, net working capital, and allocation rate of company-wide costs to each group of cash-generating units.

As a result, in the fiscal year under review, an impairment loss on goodwill of 299,656 million yen was recorded for the Americas region and an impairment loss on goodwill of 96,418 million yen was recorded for the EMEA region, as the recoverable amount fell below the carrying amount in these two regions.

If it becomes necessary to revise the above assumptions due to changes in business plan or changes in market conditions, a goodwill impairment loss could arise in the following financial year.

#### 4. Notes to consolidated statement of financial position

(1) Assets pledged as collateral	
Other financial assets (current assets)	54 million yen
Other than the above, other financial assets (current assets) of 8 million yen are pledged as collateral for guarantee transactions that are disclosed in the “Official Gazette” (Kanpou) and related to other operations.	
(2) Allowance for doubtful accounts directly deducted from assets	
Trade and other receivables	4,813 million yen
Other financial assets (non-current assets)	13,432 million yen
(3) Accumulated depreciation and impairment loss of property, plant and equipment (except for right-of-use assets)	64,554 million yen
(4) Contingent liabilities	
Guarantees of loans and other liabilities	
Liabilities for guarantees of bank loans and others	62 million yen

The business that the Group companies execute over a wide range of areas may be subject to claims, surcharge payment, etc. based on investigations, lawsuits, media audits, etc. from government agencies, clients, media companies, partner companies, etc., in both Japan and overseas. As a result of our verification, including consultations with experts and others, we believe that even if obligations arise due to such claims, it would not have a significant impact on the financial position or operating results of the Group.

##### Contingent liabilities, etc. in India

In the fiscal year ended December 31, 2021, certain matters related to transactions entered into by one of the Group’s Indian subsidiaries were brought to the attention of the Company’s Board of Directors. These matters required detailed investigation with the assistance of external legal and professional advisors and have resulted in the Group reporting details of transactions recorded by a specific subsidiary to the appropriate regulatory authorities in India.

Related to the matters reported, the group has received claims totaling 5,228 million India Rupee (9,114 million yen) from parties seeking payment for goods and services which those parties allege have been provided to the subsidiary in question.

Based on legal advice received to date, the group has rejected these claims. The group contests the substance of the underlying transactions and is of the view that no bona fide goods or services were actually provided. Consequently, the group has not recorded a liability in association with these claims. Whilst the group continues to investigate the matters with the support of its external legal and professional advisors, it is vigorously defending its position with respect to the claims and continues to support the authorities with their enquiries. Notwithstanding this, the outcome of the legal proceedings and any action by the regulators remains uncertain.

#### 5. Notes to consolidated statement of income

- (1) Business restructuring expenses  
The expenses are incurred as a result of structural reforms.  
The primary components of business restructuring expenses are real estate optimization expenses, workforce reduction expenses, and expenses arising from other related initiatives.
- (2) Impairment loss  
In the fiscal year ended December 31, 2025, the Company conducted an impairment test of goodwill based on the latest business plan compiled using the most recent results. As a result, the Company recognized impairment loss on goodwill of 299,656 million yen and 96,418 million yen in the Americas and EMEA operations, respectively.  
The impairment loss recognized in the fiscal year ended December 31, 2025, also includes an impairment loss on some of the intangible assets.

## 6. Notes to consolidated statement of changes in equity

### (1) Class and total number of issued shares as of December 31, 2025

Ordinary shares: 265,800,000 shares

### (2) Cash dividends

#### 1) Dividends paid

Resolution	Class of shares	Total dividends (million yen)	Dividends per share (yen)	Record date	Effective date
Board of Directors (February 14, 2025)	Ordinary shares	18,105	69.75	December 31, 2024	March 18, 2025

#### (Notes)

The total amount of dividends based on the resolution at the meeting of the Board of Directors held on February 14, 2025 does not include a dividend of 62 million yen for the Company's shares held by the Trust E Unit in relation to the Directors' Stock Compensation Trust.

### 2) Dividends for which the record date falls before fiscal year-end, while the effective date falls in the following fiscal year.

No items to report.

## 7. Notes to revenue

The Group provides advertising, information services and other businesses to our customers. Please refer to "1. Significant matters for preparing consolidated financial statements (4) Accounting policies 7) Revenues" for details.

### (1) Disaggregation of revenue

The breakdown of revenue recognized from contracts with customers is as follows:

(Unit: Million yen)

	Reporting segment					Intercompany Transaction adjustments	Total
	Japan	Americas	EMEA	APAC	Subtotal		
Breakdown by regions	608,310	369,666	338,401	112,199	1,428,577	6,668	1,435,245

(Note) "Intercompany Transaction adjustments" comprises revenues relating to corporate functions, as well as the elimination of inter-segment transactions. Revenue relating to corporate functions amounted to 9,446 million yen.

### (2) Contract balance

The balances of receivables and contractual liabilities arising from signings with customers are as follows:

(Unit: Million yen)

	Balance at the beginning of the year	Balance at the end of the year
Receivables arising from contracts with customers	1,669,977	1,798,479
Notes and accounts receivable-trade	1,656,861	1,791,035
Others	13,116	7,443
Contract assets	19,459	22,824
Contract liabilities	63,386	61,635

Notes and accounts receivable-trade are included in trade and other receivables, others are included in

other financial assets in non-current assets, contract assets are included in trade and other receivables and contract liabilities are included in other current liabilities and other non-current liabilities, in the consolidated statements of financial position.

The amount of revenue recognized in the fiscal year ended December 31, 2025 included in contract liabilities at the beginning of the year is 49,652 million yen. The amount of revenue recognized in the fiscal year ended December 31, 2025 from performance obligations that were satisfied (or partially satisfied) in previous periods is immaterial, and there is no significant change in the balance of contract liabilities.

Contract assets are recognized as rights to consideration, which was recorded by recognizing revenue based on the progress, primarily in the service agreements for advertisement production, commissioned system development, etc. Once the rights to consideration become unconditional, contract assets are transferred to receivables. Contract liabilities primarily relate to advances received from customers. Contract liabilities are transferred to revenue according to the satisfaction of performance obligations.

(3) Calculation of the transaction price allocated to the remaining performance obligations

As there are no significant transactions in the Group where the performance obligations in individual contracts are expected to exceed one year, the practical expedient has been used and information on residual performance obligations has been omitted. In addition, there are no material amounts of consideration arising from contracts with customers that are not included in the transaction price.

(4) Assets recognized from costs to obtain or fulfill contracts with customers

The Group has no assets recognized from costs incurred to obtain or fulfill contracts with customers.

## 8. Financial instruments

(1) Status of financial instruments

The Group is exposed to financial risks in the course of its business activities; and it manages risks based on a specific policy in order to avoid or reduce these risks.

Derivative transactions are conducted within the purpose of avoiding or reducing the above risks according to internal management policy.

1) Credit risk management

Financial assets measured at amortized cost, including trade receivables, such as notes and accounts receivable, are exposed to customers' credit risk. The Group aims to reduce these risks based on credit management rules and guidelines.

The Group conducts review of new counterparties and credit management based on credit management rules and guidelines. Based on accounting rules and guidelines, the relevant controlling departments in each business unit, together with the accounting department, manage due dates and outstanding balances for each counterparty and regularly monitor the status of major counterparties to detect and reduce doubtful receivables due to deteriorating financial conditions or other reasons in a timely manner. Consolidated subsidiaries perform credit management and receivables management and have management systems in place that require reporting and approval for certain significant transaction and events.

The Group does not have excess concentration of credit risk in specific counterparties.

2) Liquidity risk management

The Group manages liquidity risk by having the treasury division establish and update a finance plan based on information collected from each division and also by maintaining liquidity based on cash flow status.

The Group raises working capital from internal reserves, loans from financial institutions, corporate bonds, commercial paper, receivables securitization, etc. Since the receivables securitization transaction is a non-recourse agreement, securitized receivables were derecognized.

The Group has also established commitment lines to ensure liquidity, if required, and has established additional, temporary loan commitments from financial institutions to ensure liquidity to mitigate the impact from rapid changes in the external environment.

3) Foreign currency risk management

Monetary receivables and payables denominated in foreign currencies are exposed to foreign exchange fluctuation risks. The Group uses forward foreign exchange contracts to hedge its

foreign exchange fluctuation risks identified by each currency and by each month.

In addition, with respect to those that are important among transactions denominated in foreign currencies exceeding certain amounts and foreign exchange fluctuation risks, forward foreign exchange contracts and borrowings and others are used to hedge them in accordance with internal management rules.

4) Interest rate risk management

For certain portion of the Group's borrowings, interest expenses are fixed using derivatives transactions (interest rate swap contracts, etc.) to avoid or reduce interest rate fluctuation risks.

(2) Fair value of financial instruments

1) Financial liabilities measured at amortized cost

The carrying amount on the consolidated statement of financial position and the fair value as of December 31, 2025 are as follows. The fair value of financial assets and financial liabilities measured at amortized cost other than long-term borrowings and bonds approximates their carrying amount.

(Unit: Million yen)

	Carrying amount	Fair value
(Financial liabilities)		
Long-term borrowings	318,526	316,413
Corporate bonds	94,975	90,404

(Note) Current portion that is scheduled for repayment within one year.

The fair value of long-term borrowings is determined by discounting the total of the principal and interest by the interest rate assumed in a case where the same loan is newly made.

The fair value hierarchy of long-term borrowings is categorized as Level 2.

The fair value of bonds is determined based on quoted market prices. The fair value hierarchy is categorized as Level 2.

2) Financial liabilities measured at fair value

Financial instruments measured at fair value on a recurring basis after initial recognition are categorized into the three levels of the fair value hierarchy according to observability and significance of input used in measurements.

The fair value hierarchy is defined as follows:

Level 1: Fair value measured at the quoted price in the active market

Level 2: Fair value that is measured using the observable price other than categorized in Level 1 directly or indirectly

Level 3: Fair value that is measured based on unobservable inputs

When multiple inputs are used to measure fair value, fair value levels are determined based on the lowest level input that is significant to the entire fair value measurement.

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of each quarter.

There were no transfers between Level 1 and Level 2 for the fiscal year ended December 31, 2025.

The following table includes put option liabilities.

(Unit: Million yen)

	Level 1	Level 2	Level 3	Total
Financial assets				
Derivative assets	—	15,665	—	15,665
Equity securities	40,587	—	23,605	64,192
Other	2,000	5,022	19,727	26,750
Total	42,587	20,688	43,333	106,609
Financial liabilities				
Derivative liabilities	—	50,459	—	50,459
Put option liabilities	—	—	3,953	3,953
Other (mainly contingent consideration)	—	—	152	152
Total	—	50,459	4,105	54,564

The fair values of interest rate swap contracts and foreign exchange contracts included in derivative assets and derivative liabilities are categorized within Level 2 as they are valued using price estimates obtained from financial institutions or observable market data.

The fair values of stocks included in equity securities and other (financial assets) for which active markets exist are categorized within Level 1 as they are determined based on market prices. For stocks in which active markets do not exist, the stocks whose fair value is measured using observable market data are categorized within Level 2, while stocks measured based mainly on the income approaches (DCF method) and the market approach (the comparable companies analysis or comparable transaction multiple method) using unobservable inputs are categorized within Level 3.

In the income approach (DCF method), significant unobservable inputs are mainly the discount rate. The fair value decreases (increases) as the discount rate increases (decreases).

Significant unobservable inputs in the market approach (comparable company method) mainly include valuation multiples such as enterprise value/operating profit. The fair value increases (decreases) as the valuation multiples increase (decrease).

The fair values, etc. and others of put option liabilities and other (financial liabilities) are categorized within Level 3 as they are valued based on the discounted cash flow method using unobservable inputs. Significant unobservable inputs are level of future profitability and discount rate. The fair values, etc. increases (decreases) as level of profitability increases (decreases).

The fair values of assets and liabilities categorized within Level 3 are measured using asset and liability valuation methods determined by the department in charge in accordance with fair value measurement valuation policies and procedures. Fair value measurement results are approved by the appropriate personnel in charge.

The schedule of financial instruments categorized within Level 3 is as follows:

(Unit: Million yen)

	Financial assets	Financial liabilities
Balance at the beginning of the year	45,763	6,385
Other comprehensive income (Note) 1	2,556	—
Profit or loss	(1,186)	(857)
Purchases or acquisition	3,900	3,937
Sales or settlements	(1,051)	(5,447)
Other (Note) 2	(6,649)	87
Balance at the end of the year	43,333	4,105

(Note) 1. "Other comprehensive income" is associated with financial assets measured at fair value through other comprehensive income and included in "Net change in financial assets measured at fair value through other comprehensive income."

2. In the year under review, financial assets decreased mainly due to transfers to non-current assets classified as held for sale.

#### 9. Per share information

(1) Equity attributable to owners of the parent per share 1,444.02 yen

(2) Basic loss per share (attributable to owners of the parent) (1,262.04) yen

#### 10. Significant subsequent events

(Transfer of fixed asset)

At a meeting of its Board of Directors held on December 24, 2025, the Company resolved to transfer a fixed asset it possessed (Dentsu Ginza Building), and it transferred the fixed asset on January 30, 2026.

##### 1. Reason for the transfer

This transfer was decided upon for the purpose of meeting necessary funding needs in order to conduct appropriate capital allocation. The Company aims to realize a simple and sustainable business structure in terms of both business operations and capital efficiency by working to rein in costs, such as repair expenses due to facility aging and fixed asset taxes, and manage assets efficiently.

##### 2. Details of transferred asset

Asset description and location	Transfer gain*	Current status
Dentsu Ginza Building • Location: 7-101-1 Ginza, Chuo-ku, Tokyo • Site area: 696.64 m <sup>2</sup> • Structure: Reinforced concrete block construction, two belowground floors, eight aboveground floors, rooftop level, with penthouse	Approx. 29.6 billion yen	Office building (not currently in use)

\*The transfer gain on the Consolidated Statement of Income arising from this transfer is an estimated amount. The transfer price and book value will not be disclosed at the request of the transferee.

##### 3. Overview of the transferee

Based on the confidentiality agreement with the transferee, the Company will refrain from making information public. There are no capital or personnel relationships between the Company and the transferee, and the transferee does not constitute a related party of the Company.

#### 4. Transfer timeline

- (1) Resolved by the Board of Directors: December 24, 2025
- (2) Contract concluded: December 24, 2025
- (3) Transfer (handover) date: January 30, 2026

#### 5. Future outlook

With the transfer of the fixed asset based on this contract, a gain on sales of fixed assets of approximately 29.6 billion yen is expected to occur on the consolidated financial statements for the fiscal year ending December 31, 2026.

## Nonconsolidated Balance Sheet

(As of December 31, 2025)

(Unit: Million yen)

<b>Assets</b>		<b>Liabilities</b>	
Account item	Amount	Account item	Amount
Current assets	146,277	Current liabilities	210,362
Cash and deposits	77,470	Short-term loans payable	10,000
Short-term loans receivable from subsidiaries and associates	59,204	Short-term loans payable from subsidiaries and associates	139,322
Prepaid expenses	1,199	Current portion of long-term loans payable	51,500
Other	8,608	Other payables	6,882
Allowance for doubtful accounts	(204)	Accrued expenses	2,225
		Provision for directors' bonuses	293
		Provision for share-based remuneration	51
		Other	85
Non-current assets	361,280	Non-current liabilities	352,867
Property, plant and equipment	6,743	Bonds payable	95,000
Buildings, net	2,354	Long-term loans payable	251,000
Vehicles, net	1	Long-term income taxes payable	1,141
Tools, furniture and fixtures, net	603	Provision for share-based remuneration	1,537
Land	3,784	Asset retirement obligation	8 6 3
Intangible assets	722	Deferred tax liabilities for land revaluation	834
Software	717	Other	2,490
Other	4	<b>Total liabilities</b>	<b>563,230</b>
Investments and other assets	353,815	<b>Net Assets</b>	
Investment securities	58,712	Shareholders' equity	(82,488)
Shares of subsidiaries and associates	141,476	Capital stock	74,609
Investments in other securities of subsidiaries and associates	12,686	Capital surplus	76,541
Investments in capital of subsidiaries and associates	15,493	Legal capital surplus	76,541
Long-term loans receivable	670	Retained earnings	(207,510)
Long-term loans receivable from subsidiaries and associates	286,148	Legal retained earnings	722
Deferred tax assets	5,198	Other retained earnings	(208,232)
Other	7,432	General reserve	90,500
Allowance for doubtful accounts	(174,005)	Retained earnings brought forward	(298,732)
		Treasury shares	(26,129)
		Valuation and translation adjustments	26,816
		Valuation difference on available-for-sale securities	24,925
		Revaluation reserve for land	1,890
<b>Total assets</b>	<b>507,558</b>	<b>Total net assets</b>	<b>(55,672)</b>
		<b>Total liabilities and net assets</b>	<b>507,558</b>

## Nonconsolidated Statement of Income

(From January 1, 2025 to December 31, 2025)

(Unit: Million yen)

Account item	Amount	
Operating revenue		
Dividend income	86,539	
Management fee income	6,806	
Real estate rental income	288	93,634
Operating expenses		30,300
Operating income		63,333
Non-operating income		
Interest and dividend income	3,507	
Other	650	4,158
Non-operating expenses		
Interest expenses	3,905	
Interest on bonds	528	
Loss on investments in investment partnerships	2,032	
Other	1,480	7,946
Ordinary income		59,545
Extraordinary income		
Gain on sales of investment securities	25,664	
Other	205	25,870
Extraordinary loss		
Loss on valuation of shares of subsidiaries and associates	286,826	
Loss on valuation of investment securities	433	
Loss on sales of investment securities	174	
Provision of allowance for doubtful accounts	171,858	
Business restructuring cost	4,765	
Other	117	464,176
Loss before income taxes		(378,760)
Income taxes-current	(1,314)	
Income taxes for global minimum tax	1,141	
Income taxes-deferred	(685)	(858)
Net loss		(377,902)

## Nonconsolidated Statement of Changes in Net Assets

(From January 1, 2025 to December 31, 2025)

(Unit: Million yen)

	Shareholders' equity			
	Capital stock	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
As of January 1, 2025	74,609	76,541	—	76,541
Changes of items during the period				
Dividends from retained earnings				—
Net loss				—
Reversal of general reserve				—
Purchase of treasury shares				—
Disposal of treasury shares			(17)	(17)
Transfer of reductions in other capital surplus to retained earnings			17	17
Changes in items other than shareholders' equity during the period – net				—
Total changes of items during the period	—	—	—	—
As of December 31, 2025	74,609	76,541	—	76,541

	Shareholders' equity						
	Retained earnings					Treasury shares	Total shareholders' equity
	Legal retained earnings	Other retained earnings		Total retained earnings	Total retained earnings		
		General reserve	Retained earnings brought forward				
As of January 1, 2025	722	320,500	(132,645)	188,577	(26,195)	313,534	
Changes of items during the period							
Dividends from retained earnings			(18,167)	(18,167)		(18,167)	
Net loss			(377,902)	(377,902)		(377,902)	
Reversal of general reserve		(230,000)	230,000	—		—	
Purchase of treasury shares				—	(2)	(2)	
Disposal of treasury shares				—	67	50	
Transfer of reductions in other capital surplus to retained earnings			(17)	(17)		—	
Changes in items other than shareholders' equity during the period – net				—		—	
Total changes of items during the period	—	(230,000)	(166,087)	(396,087)	65	(396,022)	
As of December 31, 2025	722	90,500	(298,732)	(207,510)	(26,129)	(82,488)	

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
As of January 1, 2025	43,796	1,880	45,677	359,211
Changes of items during the period				
Dividends from retained earnings			—	(18,167)
Net loss			—	(377,902)
Reversal of general reserve			—	—
Purchase of treasury shares			—	(2)
Disposal of treasury shares			—	50
Transfer of reductions in other capital surplus to retained earnings			—	—
Changes in items other than shareholders' equity during the period – net	(18,871)	10	(18,860)	(18,860)
Total changes of items during the period	(18,871)	10	(18,860)	(414,883)
As of December 31, 2025	24,925	1,890	26,816	(55,672)

## Notes to Nonconsolidated Financial Statements

### 1. Summary of significant accounting policies

#### (1) Valuation basis and method for securities

##### 1) Subsidiaries' and associates' shares

Stated at cost determined by the moving-average method

##### 2) Other securities of subsidiaries and associates

Stated at cost determined by the moving-average method

Investments in investment business limited liability partnerships and similar associations (those deemed as securities under Paragraph 2 of Article 2 of the Financial Instruments and Exchange Act) are stated at net amount equivalent to the Company's equity on the basis of the most recent financial statements available as of the financial reporting date stipulated in respective partnership contracts.

##### 3) Other securities

Securities other than shares, etc. that do not have a market price

Stated at fair value

(Unrealized gains and losses are reported, net of applicable taxes, in a separate component of net assets. The cost of securities sold is determined by the moving-average method.)

Shares, etc. that do not have a market price

Stated mainly at cost determined by the moving-average method

#### (2) Valuation basis and method for derivative instruments

Stated at fair value

#### (3) Depreciation method for non-current assets

##### 1) Property, plant and equipment

Depreciation of property, plant and equipment is calculated by the declining-balance method based on the fixed rates, while the straight-line method is applied to buildings (excluding building improvements) acquired on or after April 1, 1998 and building improvements and structures acquired on or after April 1, 2016.

The range of useful lives is principally as follows:

Buildings: 6-50 years

Vehicles: 5 years

Tools, furniture and fixtures: 3-20 years

##### 2) Intangible assets

Amortization of intangible assets is calculated by the straight-line method. Software for internal use is amortized by the straight-line method over the estimated useful lives (5 years).

#### (4) Accounting policy for provisions

##### 1) Allowance for doubtful accounts

To prepare for losses from bad debts such as operating receivables, the Company provides an allowance for doubtful accounts at an amount corresponding to possible losses from uncollectible trade receivables based on

the actual rate of losses from bad debt for ordinary receivables, and on the estimated recoverability for specific doubtful receivables.

2) Provision for directors' bonuses

The Company makes a provision for directors' bonuses based on the estimated amount payable.

3) Provision for share-based remuneration

The Company accounts for the liability for the future benefits for officers, etc. based on the amount of benefits corresponding to the projected number of units granted to officers, etc. in accordance with the Officers Stock Benefit Regulations, etc.

(5) Derivatives and hedging activities

1) Hedge accounting methods

The Company uses the deferred-hedge accounting method. The interest rate swaps which qualify for hedge accounting and which meet specific matching criteria are not remeasured at market value, but the differential paid or received under the swap agreements is recognized and included in interest expense or income.

2) Hedging instruments and hedged items

Hedging instrument: Interest rate swaps

Hedged item: Interest on loans payable

3) Hedging policy

The Company uses derivative financial instruments to manage its exposures to interest rate fluctuations on loans payable. The Company does not enter into derivatives for trading or speculative purposes.

4) Method of evaluating hedge effectiveness

The evaluation of hedge effectiveness for interest rate swaps which qualify for hedge accounting and which meet specific matching criteria is omitted since the above exceptional treatment is adopted.

(6) Accounting method for revenue and expenses

The Company engages in the corporate management of the Group companies as a pure holding company, and the revenue it receives mainly consists of dividend income and management fee income from its consolidated subsidiaries. For dividend income, revenue is recognized as of the effective date of dividends. For management fee income, the Company's performance obligation is to provide contracted services according to the agreements with consolidated subsidiaries, and the Company's performance obligation is satisfied when the services are rendered. Revenue is therefore recognized at that point.

(7) All figures are rounded down to the nearest million yen.

## 2. Changes in presentation

(Nonconsolidated statement of income)

"Business restructuring cost" (175 million yen for the fiscal year ended December 31, 2024), which was included in "Other" under "Extraordinary loss" in the fiscal year ended December 31, 2024, has been independently disclosed from the fiscal year ended December 31, 2025 due to an increase in its monetary significance.

### 3. Notes on significant accounting estimates

Of the amounts recorded in the financial statements for the fiscal year ended December 31, 2025 based on accounting estimates, items that may have a significant impact on the financial statements for the fiscal year ending December 31, 2026 are as follows.

(Evaluation of investments in and loans to subsidiaries and associates)

(1) Amount recorded in financial statements

Shares of subsidiaries and associates*	141,476 million yen
Investments in other securities of subsidiaries and associates	12,686 million yen
Investments in capital of subsidiaries and associates	15,493 million yen
Long-term loans receivable from subsidiaries and associates	286,148 million yen

\* Includes investments in unlisted subsidiaries and shares, etc. that do not have a market price

Shares of subsidiaries	98,868 million yen
Shares of associates	11,670 million yen

Of the above, the balance of long-term loans receivable from subsidiaries and associates includes 284,500 million yen of long-term loans to Dentsu International Treasury Limited (hereinafter "DIT"), a subsidiary of Dentsu International Limited (hereinafter "DI"), which is an unlisted subsidiary overseeing the Company's international business. As a result of recording a loss on valuation of shares of subsidiaries and associates in the current fiscal year, the investment in DI is recorded at a memorandum value.

(2) Information regarding details of significant accounting estimates relating to identified items

Investments in unlisted subsidiaries and shares, etc. that do not have a market price is shown on the balance sheet at the acquisition price. However, if the actual value falls significantly due to the deterioration of the issuing company's financial situation, unless the recoverability is supported by sufficient evidence, the amount shall be impaired to the actual value. Regarding long-term loans receivable from subsidiaries and associates, the Company individually evaluates collectability considering the financial situation and operating results of the subsidiaries and associates and records an allowance for doubtful accounts for the estimated uncollectible amount.

Evaluation of investment in DI and loans to DIT

When valuing DI investments, the Company calculates the actual value at a value that reflects the excess earnings capacity, etc. from the international businesses that DI controls, and the actual value that reflects the excess earnings capacity, etc. is calculated by deducting net interest-bearing debt, etc. from the business value. Furthermore, since DIT is a company whose sole purpose is to provide financing to international operating companies through the intermediate holding company DI, the evaluation of loans to DIT is affected by the business plans of the international operating companies and the cash flows generated from those businesses. In evaluating the loans to DIT, collectability is determined by considering the estimated cash flows generated from the international business.

The Company calculates the business value of DI based on the amount of value in use derived from the impairment test of goodwill recorded in the consolidated financial statements due to the acquisition of the company. Furthermore, based on said business value, the Company reviews future solvency and calculates the recoverable amount of the loans to DIT. The estimate of the value in use in the goodwill impairment test is stated in “3. Notes on Accounting Estimates (1) Valuation of goodwill” in the consolidated financial statements, and includes the key assumptions of operating margin, growth rate of revenue less cost of sales, continuous growth rate, discount rate, net working capital, and allocation rate of companywide expenses to each cash-generating unit group.

As a result, we have recorded a loss on valuation of shares of subsidiaries and associates of 286,714 million yen and a provision of allowance for doubtful accounts of 171,858 million yen in the current year. Furthermore, in the event that it becomes necessary to revise the above assumptions for reasons such as changes in the business strategy and changes in the market environment, it is possible that an additional provision or reversal of the allowance for doubtful accounts for loans to DIT will be incurred in subsequent fiscal years.

#### 4. For nonconsolidated balance sheets

(1) Accumulated depreciation of property, plant and equipment	<b>7,707 million yen</b>
(2) Contingent liabilities	
Guarantee obligations outstanding	
Liabilities on guarantees of bank loans taken out by the following companies:	
Dentsu International Treasury Limited	<b>15,656 million yen</b>
(Line of credit for operating funds: USD 100 million)	
Total of 4 companies including OOH Media Solution, Inc.	<b>921 million yen</b>
Total	<b>16,577 million yen</b>
(3) Monetary claims/obligations to associated companies (excluding those separately presented)	
Short-term monetary claims	<b>6,184 million yen</b>
Short-term monetary obligations	<b>5,645 million yen</b>
(4) The Company revalued the land used for its business in accordance with the “Law Concerning Revaluation of Land (Act No. 34; March 31, 1998).” The revaluation difference after deducting the related tax has been included in “Net assets” as “Revaluation reserve for land,” and the related tax is included in “Liabilities” as “Deferred tax liabilities for land revaluation.”	
Revaluation method set forth in Paragraph 3 of Article 3 of said law	
The value of land is determined using the method which is to compute the property value based on the assessed value of the property, which becomes the basis of calculation of the property tax amounts as stipulated in Article	

16 of the Property Tax Act, computed by a method determined and announced by the Director-General of the National Tax Agency Japan, adjusted reasonably, as stipulated in Item 4 of Article 2 of the Ordinance for Enforcement of the Act on Revaluation of Land (Government ordinance No. 119; March 31, 1998).

**Date of revaluation**

**March 31, 2001**

Total fair values of revaluated properties as of the end of the fiscal year ended December 31, 2025 were not below the book value after the revaluation.

**5. For nonconsolidated statement of income**

(1) Volume of transactions with associated companies

Operating revenue	93,634 million yen
Operating expenses	21,874 million yen
Other than operating transactions	3,497 million yen

(Note) A portion of the transaction volume of operating expenses is advances for expenses, which are offset on the income statement.

(2) The items of extraordinary loss

Loss on valuation of shares of subsidiaries and associates of 286,826 million yen includes an impairment loss of 286,714 million yen on the shares of Dentsu International Limited (DI), an unlisted subsidiary that controls international business.

Provision of allowance for doubtful accounts of 171,858 million yen was recorded due to increased collection risks on loans to foreign subsidiaries of the company.

**6. For nonconsolidated statement of changes in net assets**

Classes and number of treasury shares at the end of the fiscal year ended December 31, 2025

Common stock	6,213,175 shares
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(Note) The number of treasury shares includes the number of the shares in the Company held by the trust account associated with the performance-based stock compensation plan.

**7. Tax effect accounting**

(1) The main factors resulting in deferred tax assets and deferred tax liabilities

The main factors resulting in deferred tax assets are shares of subsidiaries and associates and investment securities.

The main factors resulting in deferred tax liabilities are valuation difference on available-for-sale securities and revaluation reserve for land.

(2) The accounting treatment for national and local corporate taxes, and the associated tax effect accounting

The Company has applied the group tax sharing system. The accounting treatment for national and local corporate taxes, the accounting treatment for the associated tax effect accounting, and the disclosure thereof are based on the "Practical Solution on the Accounting and Disclosure under the Group Tax Sharing System" (ASBJ Practical Solution No. 42, August 12, 2021).

(3) Impact of the Partial Amendment to the Income Tax Act, etc. and the Establishment of the Special Corporate Tax for Defense

Following the promulgation of the "Act for Partial Amendment to the Income Tax Act, etc." (Act No. 13 of 2025) on March 31, 2025, the Special Corporate Tax for Defense is scheduled to be imposed for fiscal years beginning on or after April 1, 2026. Accordingly, deferred tax assets and deferred tax liabilities relating to temporary differences expected to be reversed in or after the fiscal year beginning on January 1, 2027, have been measured using the statutory tax rates revised to reflect these changes. The impact of this change on the Company's financial position and results of operations is immaterial.

## 8. Transactions with related parties

### Subsidiaries and associates

Category	Name of company	Ratio of voting rights	Relationship with affiliated entity	Description of transactions	Transaction sum (mil. yen)	Item	Ending balance (mil. yen)
Subsidiary company	Dentsu International Limited	Dentsu Group has voting rights Direct; <b>100%</b>	Lending and borrowing of funds through the cash management system and entrusted management of international business operation Concurrently serving officers	Loans receivable via cash management system <sup>1</sup>	—	Short-term loans receivable from subsidiaries and associates	<b>35,931</b>
				Payment of management fees <sup>2</sup>	<b>6,081</b>	Other payables	<b>1,571</b>
Subsidiary company	Dentsu International Treasury Limited	Dentsu Group has voting rights Indirect; <b>100%</b>	Lending of working capital and guarantee of bank line of credit and bank loans	Loans of funds <sup>3</sup>	<b>190,000</b>	Long-term loans receivable from subsidiaries and associates	<b>284,500</b>
				Collection of funds	<b>85,000</b>		
				Receipt of loans interest <sup>3</sup>	<b>1,906</b>	Other (Accrued income)	<b>822</b>
				Guarantee of bank line of credit <sup>4</sup>	<b>15,656</b>	—	—

Category	Name of company	Ratio of voting rights	Relationship with affiliated entity	Description of transactions	Transaction sum (mil. yen)	Item	Ending balance (mil. yen)
Subsidiary company	Dentsu Inc.	Dentsu Group has voting rights Direct; <b>100%</b>	Lease of real estate and lending and borrowing of funds through the cash management system Concurrently serving officers	Rent of real estate <sup>5</sup>	<b>4,602</b>	Other (Other receivables)	<b>1</b>
				Loans payable via cash management system <sup>1</sup>	—	Short-term loans payable from subsidiaries and associates	<b>24,792</b>
				Receipt of loans interest <sup>1</sup>	<b>0</b>		
				Payment of loans interest <sup>1</sup>	<b>211</b>	Accrued expenses	<b>24</b>
Subsidiary company	Dentsu Corporate One Inc.	Dentsu Group has voting rights Direct; <b>100%</b>	Providing and receiving services and lending and borrowing of funds through the cash management system	Outsourcing of corporate management operations <sup>6</sup>	<b>3,923</b>	Other payables	<b>1,124</b>
				Loans payable via cash management system <sup>1</sup>	—	Short-term loans payable from subsidiaries and associates	<b>6,563</b>
				Payment of loans interest <sup>1</sup>	<b>43</b>	Accrued expenses	<b>4</b>
Subsidiary company	Dentsu Soken Inc.	Dentsu Group has voting rights Direct; <b>61.8%</b>	Lending and borrowing of funds through the cash management system	Loans payable via cash management system <sup>1</sup>	—	Short-term loans payable from subsidiaries and associates	<b>61,863</b>
				Payment of loans interest <sup>1</sup>	<b>445</b>	Accrued expenses	<b>41</b>
Subsidiary company	Dentsu Digital Inc.	Dentsu Group has voting rights Direct; <b>75.0%</b>	Lending and borrowing of funds through the cash management system	Loans payable via cash management system <sup>1</sup>	—	Short-term loans payable from subsidiaries and associates	<b>9,524</b>
				Receipt of loans interest <sup>1</sup>	<b>17</b>		
				Payment of loans interest <sup>1</sup>	<b>15</b>	Accrued expenses	<b>3</b>

Category	Name of company	Ratio of voting rights	Relationship with affiliated entity	Description of transactions	Transaction sum (mil. yen)	Item	Ending balance (mil. yen)
Subsidiary company	Dentsu Promotion Plus Inc. <sup>7</sup>	Dentsu Group has voting rights Direct; <b>100%</b>	Lending and borrowing of funds through the cash management system	Loans payable via cash management system <sup>1</sup>	—	Short-term loans payable from subsidiaries and associates	<b>6,071</b>
				Payment of loans interest <sup>1</sup>	<b>41</b>	Accrued expenses	<b>3</b>
Subsidiary company	Dentsu Kyushu Inc.	Dentsu Group has voting rights Direct; <b>100%</b>	Lending and borrowing of funds through the cash management system	Loans payable via cash management system <sup>1</sup>	—	Short-term loans payable from subsidiaries and associates	<b>5,528</b>
				Payment of loans interest <sup>1</sup>	<b>46</b>	Accrued expenses	<b>3</b>
Subsidiary company	Dentsu Live Inc.	Dentsu Group has voting rights Direct; <b>100%</b>	Lending and borrowing of funds through the cash management system	Loans receivable via cash management system <sup>1</sup>	—	Short-term loans receivable from subsidiaries and associates	<b>11,900</b>
				Receipt of loans interest <sup>1</sup>	<b>8</b>	Other (Accrued interest receivable)	<b>7</b>
				Payment of loans interest <sup>1</sup>	<b>14</b>		

#### Remarks

1. Because the balance for the loans payable and receivable via cash management system fluctuates daily based on the basic contract, only the ending balance is stated here. Interest rates are determined with reference to market interest rates.
2. Management fees are reasonably determined in the contracts between the parties with reference to the details of the services provided.
3. The interest rates for the loaned funds are determined reasonably with reference to market interest rates. No collateral has been accepted.
4. A guarantee was made for a bank line of credit (USD 100 million, maturing on March 27, 2026) with Dentsu International Treasury Limited as counterparties.
5. Although the transaction amount is counted in the total amount, the net amount obtained by deducting the amount received from the subsidiary from the amount paid by the Company to the third party in the

income statement is recorded as operating expenses.

6. Terms and conditions for outsourcing of corporate management operations were determined with reference to details of the outsourced operations. The transaction sum excludes consumption tax. The ending balance includes consumption tax.
7. Effective January 1, 2026, Dentsu Promotion Plus Inc. has completed an absorption-type merger with Dentsu Promotion Exe Inc., Dentsu Retail Marketing Inc., and Dentsu tempo Inc. As the surviving company, Dentsu Promotion Plus Inc. has changed its trade name to "Dentsu Promotion Inc."

## 9. Per share information

(1) Net assets per share	<b>(214.46) yen</b>
(2) Net loss per share	<b>(1,455.81) yen</b>

(Note) As the shares in the Company held by the trust account associated with the performance-based stock compensation plan are accounted for as treasury shares, 900,600 shares and 900,600 shares were deducted from the number of shares at the end of the fiscal year ended December 31, 2025 and the average number of shares during the fiscal year ended December 31, 2025, respectively, at the calculation of the per share information.

## 10. Notes Regarding Revenue Recognition

Basic information for understanding revenue from contracts with customers

Basic information for understanding revenue from contracts with customers is included in "Notes 1. Summary of significant accounting policies (6) Accounting method for revenue and expenses."

## 11. Significant subsequent events

(Reversal of General Reserve)

At the Board of Directors meeting held on February 13, 2026, the Company resolved to reverse the general reserve in accordance with the provisions of the Articles of incorporation, pursuant to Articles 452 and 459, Paragraph 1 of the Companies Act of Japan.

- |  |                    |
|--|--------------------|
| (1) The item and amount of decreased surplus : General reserve                         | 90,500 million yen |
| (2) The item and amount of increased surplus : Retained earnings brought forward       | 90,500 million yen |
| (3) Purpose of implementation : To cover deficits in retained earnings brought forward |                    |
| (4) Effective date : March 18 <sup>th</sup> , 2026                                     |                    |

(Transfer of fixed assets)

On December 24, 2025, the Board of Directors of the Company resolved to transfer the fixed asset (Dentsu Ginza Building) held by the Company, and the transfer of the said fixed asset was completed on January 30, 2026. As a result of this transfer, the Company expects to record a gain on sale of fixed assets of approximately 27,000 million yen in the non-consolidated financial results for the fiscal year ending December 31, 2026.

For further details, please refer to "Notes to Consolidated Financial Statements (10. Significant Subsequent Events).

**Independent Auditor's Report**

February 18, 2026

To the Board of Directors of Dentsu Group Inc.

KPMG AZSA LLC Tokyo Office, Japan

Isao Kamizuka  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Shuji Ezawa  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Kentaro Hayashi  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

**Opinion**

We have audited the consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated statement of income, the consolidated statement of changes in equity and the related notes of Dentsu Group Inc. ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group"), as at December 31, 2025 and for the year from January 1, 2025 to December 31, 2025 in accordance with Article 444-4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the consolidated financial statements were prepared, in accordance with the latter part of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required by International Financial Reporting Standards.

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements of public interest entities in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The Audit Committee is responsible for overseeing the Executive Officers' and Directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the latter part of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required by International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with the latter part of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required by International Financial Reporting Standards.

The Audit Committee is responsible for overseeing the Executive Officers' and Directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to

the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

#### **Interest required to be disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Company and its consolidated subsidiaries which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

#### **Notes to the Reader of Independent Auditor's Report:**

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act, and the translation is done by the Company.

**Independent Auditor's Report**

February 18, 2026

To the Board of Directors of Dentsu Group Inc.

KPMG AZSA LLC Tokyo Office, Japan

Isao Kamizuka  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Shuji Ezawa  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Kentaro Hayashi  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

**Opinion**

We have audited the financial statements, which comprise the nonconsolidated balance sheet, the nonconsolidated statement of income, the nonconsolidated statement of changes in net assets and the related notes, and the accompanying supplementary schedules ("the financial statements and the accompanying supplementary schedules") of Dentsu Group Inc. ("the Company") for the 177th fiscal year from January 1, 2025 to December 31, 2025 in accordance with Article 436-2-1 of the Companies Act.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the financial statements and the accompanying supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The Audit Committee is responsible for overseeing the Executive Officers' and Directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the financial statements and the accompanying supplementary schedules does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements and the accompanying supplementary schedules, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the accompanying supplementary schedules or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of Management and the Audit Committee for the Financial Statements and the Accompanying Supplementary Schedules**

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Executive Officers' and Directors' performance of their duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules**

Our objectives are to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and the accompanying supplementary schedules.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the accompanying supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the accompanying supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the financial statements and the accompanying supplementary schedules are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements and the accompanying supplementary schedules, including the disclosures, and whether the financial statements and the accompanying supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

#### **Interest required to be disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

#### **Notes to the Reader of Independent Auditor's Report:**

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act, and the translation is done by the Company.

## Audit Report

The Audit Committee of the Company has audited the Directors' and Executive Officers' performance of their duties for the 177th business year from January 1, 2025, to December 31, 2025 and reports as follows in regard to the methods and results of those audits.

### 1. Methods and Contents of Audits

In regard to the content of resolutions of the Board of Directors regarding the matters stated in Article 416, paragraph (1), items (i)(b) and (i)(e) of the Companies Act, as well as the systems developed pursuant to those resolutions (i.e., internal control systems), the Audit Committee periodically received reports from Directors, Executive Officers, and employees, etc. regarding the status of the establishment and operation of those systems and as necessary requested explanations and expressed opinions in regard thereto, in addition to which the Audit Committee conducted audits using the following methods.

- (i) In accordance with the "Code of Audit Committee Auditing Standards" established by the Audit Committee, and in accordance with the audit policies and division of duties, etc., the Audit Committee set key audit themes, attended important meetings such as meetings of the Board of Directors, received reports from Directors, Executive Officers, etc. on matters related to the performance of their duties, requested explanations as necessary, reviewed important documents, etc., and received regular reports from Internal Audit department and Legal department, etc., and inspected the status of operations and assets including compliance systems and risk management systems. From the perspective of an audit of group companies, the Audit Committee received reports on the results from Internal Audit department and received reports on the status of compliance and risk management of group companies from the department in charge of monitoring internal control systems to collect information.
- (ii) The Audit Committee oversaw and verified whether the Accounting Auditor maintained an independent position and conducted an appropriate audit, received reports from the Accounting Auditor on the status of the performance of its duties, and requested explanations as necessary. Additionally, the Audit Committee received notification from the Accounting Auditor that, in accordance with the "Quality Control Standards for Audits" (Business Accounting Council), etc., it had developed systems in order to ensure that its duties are appropriately performed (i.e., notification of the matters stated in the items of Article 131 of the Ordinance on Accounting of Companies) and requested explanations as necessary.

Using the methods above, the Audit Committee examined the Business Report, the supplementary schedules thereto, the accounting documents (i.e., the balance sheet, statement of income, statement of changes in net assets, and explanatory notes to accounting documents), the supplementary schedules to the accounting documents, and the consolidated financial statements (comprising the consolidated statement of financial position, consolidated statement of income, consolidated statement of changes in equity, and notes to consolidated financial statements, prepared in accordance with stipulations of Article 120, Paragraph 1 of the Ordinance on Company Accounting, which allow for preparation with the omission of a portion of items required for disclosure by International Financial Reporting Standards) for the business year.

### 2. Audit Results

- (1) Results of audit of the Business Report, etc.

- (i) We find that the Business Report and the supplementary schedules thereto accurately present the status of the Company in accordance with laws, regulations, and the articles of incorporation.
- (ii) We do not find any misconduct nor any material fact constituting a violation of any law, regulation, or the articles of incorporation in relation to the Directors' and Executive Officers' performance of their duties.
- (iii) We find the content of the resolutions of the Board of Directors regarding internal control systems to be reasonable. Additionally, we do not find any matters that should be commented upon in regard to the statements in the Business Report or the Directors' and Executive Officers' performance of their duties relating to the internal control systems.

As described in the Business Report, the criminal judgment for violations of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade due to the actions related to the Tokyo 2020 Olympic and Paralympic Games was finalized by the decision made by the Supreme Court in December 2025. The Audit Committee confirmed the ongoing implementation of various measures as part of the Mindset and Behavior Reform conducted by dentsu Japan to prevent recurrence. The Audit Committee will continue to monitor efforts to strengthen the Company's compliance system.

- (2) Results of audit of accounting documents, supplementary schedules thereto and consolidated accounting documents

We find the methods and results of the audit by the Accounting Auditor, KPMG AZSA LLC to be reasonable.

February 20, 2026

Audit Committee, Dentsu Group Inc.

Audit Committee Member	Yuka Matsuda
Audit Committee Member	Keiichi Sagawa
Audit Committee Member	Mihoko Sogabe
Audit Committee Member	Yoshihiko Kawamura
Audit Committee Member	Norimitsu Takashima

(Note) Yuka Matsuda, Keiichi Sagawa, Mihoko Sogabe, Yoshihiko Kawamura and Norimitsu Takashima, the members of Audit Committee, are Outside Directors provided for in Article 2, item 15 and Article 400, paragraph 3 of the Companies Act.