Summary of Financial Results for the Six Months Ended June 30, 2026

－IFRS Consolidated Results－

Name of Listed Company:	Dentsu Group Inc.
Code Number:	4324
Stock Exchange Listing:	Prime Market of the Tokyo Stock Exchange
URL:	https://www.group.dentsu.com/en/
Name of Representative:	Takeshi Sano, Representative Executive Officer, President & Global CEO

Scheduled date for filing of the Semiannual Report:

August 14, 2026

Scheduled start date of dividend payment:

—

Supplementary briefing material on financial results:

Available

Financial results briefing for institutional investors and analysts:

Scheduled

Contact: Jumpei Kojima
Deputy Global Chief Communications Officer
Telephone: (813) 6217-6601

Summary of Consolidated Financial Results for the Six Months Ended June 30, 2026 [IFRS]

1. Summary of Financial Results for the Six Months Ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

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

(1) Consolidated Financial Results (cumulative)

(Percentages indicate the rate of increase or decrease compared with the previous corresponding period.)

(Millions of yen, except as otherwise stated)

	Revenue		Net revenue		Underlying operating profit		Operating margin	Operating profit	
Six months ended June 30, 2026	717,352	4.9%	583,068	3.7%	71,982	6.6%	12.3%	83,869	–
Six months ended June 30, 2025	683,904	0.4%	561,994	(3.4)%	67,526	7.2%	12.0%	(36,545)	–

	Profit before tax		Profit for the period		Underlying net profit attributable to owners of the parent		Profit attributable to owners of the parent		Total comprehensive income for the period	
Six months ended June 30, 2026	77,459	–	51,530	–	38,234	17.9%	46,277	–	55,973	–
Six months ended June 30, 2025	(43,375)	–	(69,309)	–	32,442	(1.4)%	(73,647)	–	(94,847)	–

(Yen)

	Underlying basic earnings per share	Basic earnings per share	Diluted earnings per share
Six months ended June 30, 2026	147.29	178.27	177.58
Six months ended June 30, 2025	124.98	(283.72)	(283.72)

For the definition of “Underlying operating profit” and “Underlying net profit attributable to owners of the parent,” please refer to “Qualitative Information on Financial Results” on page 6.

(2) Consolidated Financial Position

(Millions of yen, except as otherwise stated)

	Total assets	Total equity	Total equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets	Equity attributable to owners of the parent per share (Yen)
As of June 30, 2026	3,066,158	485,730	424,611	13.8%	1,635.72
As of December 31, 2025	3,206,787	447,954	374,849	11.7%	1,444.02

2. Dividends

(Yen, except as otherwise stated)

	Cash dividend per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Total
Fiscal year ended December 31, 2025	—	0.00	—	0.00	0.00
Fiscal year ending December 31, 2026	—	0.00			
Fiscal year ending December 31, 2026 (forecast)			—	0.00	0.00

Note: Revisions to the forecast of dividends most recently announced: None

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

(Millions of yen, except as otherwise stated)

	Revenue		Net revenue		Underlying operating profit		Operating margin	Operating profit	
Fiscal year ending December 31, 2026	1,491,500	3.9%	1,230,200	2.7%	166,300	(3.6%)	13% range	152,600	—

	Profit for the year		Underlying net profit attributable to owners of the parent		Profit attributable to owners of the parent		Underlying basic earnings per share (Yen)	Basic earnings per share (Yen)
Fiscal year ending December 31, 2026	78,700	—	85,200	(8.9%)	69,700	—	328.21	268.50

Note: Revisions to the forecast of consolidated financial results most recently announced: None

Given the uncertain business environment, we set targets within a specific range for particularly important KPIs.

For the definition of "Underlying operating profit" and "Underlying net profit attributable to owners of the parent," please refer to "Qualitative Information on Financial Results" on page 6.

Notes

(1) Significant Changes in the Scope of Consolidation during the Period: None

(2) Changes in Accounting Policies and Changes in Accounting Estimates

a. Changes in accounting policies required by IFRS: None

b. Changes in accounting policies due to other reasons: None

c. Changes in accounting estimates: None

(3) Number of Issued Shares (Ordinary Shares)

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

As of June 30, 2026	265,800,000 shares
As of December 31, 2025	265,800,000 shares

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

As of June 30, 2026	6,213,814 shares
As of December 31, 2025	6,213,175 shares

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

Six months ended June 30, 2026	259,586,397 shares
Six months ended June 30, 2025	259,576,672 shares

Notes

This summary of consolidated financial results for the interim period is exempt from review conducted by the Certified Public Accountants or the audit corporation.

Disclaimer regarding appropriate use of forecasts and related points of note

Since the forecast of financial results and other forward-looking statements herein have been prepared based on certain conditions which Dentsu Group Inc. (hereinafter "the Company") believes to be reasonable at this time, actual financial results may be substantially different from the forecast due to various factors.

For information relating to forecasts, please refer to "Qualitative Information on Financial Results Forecast" on page 9.

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1. Qualitative Information on Interim Financial Results

(1) Qualitative Information on Financial Results

In the six months ended June 30, 2026, the outlook for the global economy remained uncertain due to factors such as the prolonged instability in the international situation, as well as rising prices.

In this environment, the business results of the Group during the six months ended June 30, 2026, are as presented in the table below. Although the Group saw net revenue organic growth of 0.3%, net revenue increased by 3.7% year on year due to factors such as exchange rates. With measures such as SG&A expenses control, including the partial realization of cost savings from the rebuilding of the business foundation, underlying operating profit increased by 6.6% resulting in an operating margin increase of 30 bps, while underlying net profit attributable to owners of the parent increased by 17.9%. Factors such as the recording of gains on the sale of the Dentsu Ginza Building led to an operating profit of 83,869 million yen (operating loss of 36,545 million yen for the previous corresponding period) and profit attributable to owners of the parent of 46,277 million yen (loss of 73,647 million yen for the previous corresponding period).

Underlying operating profit is a profit indicator to measure recurring business performance which is calculated as operating profit added with M&A related items and one-off items.

M&A related items: amortization of purchased intangible assets, acquisition costs, and share-based compensation expenses issued following the acquisition of 100% ownership of a subsidiary

One-off items: items such as business transformation cost, impairment loss, gain/loss on sales of non-current assets, and extra retirement payments

Underlying net profit attributable to owners of the parent is an indicator to measure recurring profit attributable to owners of the parent which is calculated as profit (attributable to owners of the parent) added with adjustment items related to operating profit, change in fair value of contingent considerations (gain/loss on revaluation of earnout liabilities), remeasurements of share purchase liabilities (gain/loss on revaluation of M&A related put-option liabilities), tax-related, NCI profit-related, and other one-off items.

Business results for the six months ended June 30, 2026

(Monetary amounts are shown in millions of yen, with negative amounts shown in parentheses)

Item	Six months ended June 30, 2025	Six months ended June 30, 2026	YoY change
Revenue	683,904	717,352	4.9%
Net revenue	561,994	583,068	3.7%
Operating profit (loss)	(36,545)	83,869	—
Profit (loss) (attributable to owners of the parent)	(73,647)	46,277	—

Main profit indicators for the six months ended June 30, 2026

(Monetary amounts are shown in millions of yen, with negative amounts shown in parentheses)

Item	Six months ended June 30, 2025	Six months ended June 30, 2026	YoY change
Underlying operating profit	67,526	71,982	6.6%
Operating margin	12.0%	12.3%	30bps
Underlying net profit (attributable to owners of the parent)	32,442	38,234	17.9%

Performance by reportable segment for the six months ended June 30, 2026, is as follows.

a. Japan

Japan saw organic growth of 5.0% with the growth in the Marketing business led by Internet and TV advertising, Digital Transformation (DX), Business Transformation (BX), and Sports & Entertainment (SP&E).

As the results of CARTA HOLDINGS, which was reclassified to an equity-method affiliate in January 2026, were included in the results for the previous corresponding period, net revenue was 235,936 million yen (0.3% decrease year on year). However, with an SG&A expenses decrease, underlying operating profit was a record high for the first half of 60,409 million yen (3.6% increase year on year) and operating margin was 25.6% (24.6% for the previous corresponding period). Excluding the impact of the reclassification of CARTA HOLDINGS to an equity-method affiliate, net revenue also exceeded the record level achieved in the first half of fiscal 2025.

b. Americas

The Americas saw an organic decline of 5.0%, with the United States, the primary market, posting organic decline.

Although net revenue in the Americas was 156,129 million yen (1.5% increase year on year) due to a shift in the exchange rate toward a weaker yen against the United States Dollar, a net revenue decrease on a constant currency basis led to underlying operating profit of 29,398 million yen (11.8% decrease year on year) and operating margin of 18.8% (21.7% for the previous corresponding period).

c. EMEA (Europe, the Middle East, and Africa)

EMEA saw an organic decline of 0.2%. By major market, the United Kingdom, Spain, and Poland achieved organic growth, while Germany, Italy, and Switzerland posted organic decline.

Due to a shift in the exchange rate toward a weaker yen against the Great Britain Pound and Euro, net revenue in EMEA was 137,952 million yen (13.7% increase year on year). Despite a net revenue decrease on a constant currency basis, underlying operating profit was 12,143 million yen (113.1% increase year on year) with measures such as SG&A expenses control including the partial realization of cost savings from the rebuilding of the business foundation, and operating margin was 8.8% (4.7% for the previous corresponding period).

d. APAC (Asia Pacific excluding Japan)

APAC saw an organic decline of 3.8%. By major market, India achieved organic growth, while Australia, China, and Taiwan posted organic decline.

Due to a shift in the exchange rate toward a weaker yen against the Chinese Yuan and other currencies, net revenue in APAC was 49,554 million yen (5.1% increase year on year). With measures such as SG&A expenses control including the partial realization of cost savings from the rebuilding of the business foundation, underlying operating loss was 3,213 million yen (underlying operating loss of 4,191 million yen for the previous corresponding period), and operating margin was negative 6.5% (negative 8.9% for the previous corresponding period)

(2) Qualitative Information on Financial Results Forecast

The forecast of the full-year consolidated financial results for the fiscal year ending December 31, 2026, which was disclosed on February 13, 2026, is reiterated. Meanwhile, uncertainty surrounding the global economy is continuing due to geopolitical risks such as the situation in the Middle East and the prolonged conflict in Ukraine, as well as soaring resource and energy prices. Caution is warranted as these factors may have an impact on our consolidated financial results.

2. Matters Pertaining to Summary Information (Notes)

(1) Significant Changes in the Scope of Consolidation during the Period

No items to report

(2) Adoption of Accounting Treatment Specific to the Preparation of Interim Consolidated Financial Statements

No items to report

(3) Changes in Accounting Policies, Changes in Accounting Estimates, Restatement, and Changes in Presentation

(Changes in Presentation)

(Condensed Interim Consolidated Statement of Income)

"Gain (loss) on sale and retirement of non-current assets," which had been presented under "Other expenses" in the six months ended June 30, 2025, is presented separately in the six months ended June 30, 2026, because of its increased quantitative materiality. The Company has reorganized the Condensed Interim Consolidated Statement of Income for the six months ended June 30, 2025, to reflect this change in presentation.

As a result, (75) million yen presented under "Other expenses" in the Condensed Interim Consolidated Statement of Income for the six months ended June 30, 2025, has been reclassified as "Gain (loss) on sale and retirement of non-current assets" in the same amount.

(Condensed Interim Consolidated Statement of Cash Flows)

"(Gain) loss on sale and retirement of non-current assets," which had been presented under "Other—net" in "Cash flows from operating activities" in the six months ended June 30, 2025, is presented separately from the six months ended June 30, 2026, because of its increased quantitative materiality. The Company has reorganized the Condensed Interim Consolidated Statement of Cash Flows for the six months ended June 30, 2025, to reflect this change in presentation.

As a result, 75 million yen presented under "Other—net" in "Cash flows from operating activities" in the Condensed Interim Consolidated Statement of Cash Flows for the six months ended June 30, 2025, has been reclassified as "(Gain) loss on sale and retirement of non-current assets" in the same amount.

3. Condensed Interim Consolidated Financial Statements and Primary Notes

(1) Condensed Interim Consolidated Statement of Financial Position

(Millions of yen)

	FY2025 (As of December 31, 2025)	Six months ended June 30, 2026 (As of June 30, 2026)
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	295,183	366,363
Trade and other receivables	1,818,316	1,604,642
Inventories	9,492	26,055
Income tax receivables	41,514	41,460
Other financial assets	22,289	24,994
Other current assets	60,899	74,873
Subtotal	2,247,696	2,138,389
Non-current assets classified as held for sale	53,707	3,451
Total current assets	2,301,403	2,141,840
NON-CURRENT ASSETS:		
Property, plant and equipment	22,967	22,025
Goodwill	320,102	329,486
Intangible assets	178,219	165,771
Right-of-use assets	104,511	116,258
Investments accounted for using the equity method	53,164	69,557
Other financial assets	107,661	110,160
Other non-current assets	65,690	64,725
Deferred tax assets	53,066	46,332
Total non-current assets	905,383	924,318
TOTAL ASSETS	3,206,787	3,066,158

	FY2025 (As of December 31, 2025)	Six months ended June 30, 2026 (As of June 30, 2026)
		(Millions of yen)
LIABILITIES AND EQUITY		
LIABILITIES		
CURRENT LIABILITIES:		
Trade and other payables	1,655,434	1,554,012
Bonds and borrowings	122,067	108,942
Other financial liabilities	71,037	72,207
Income tax payables	37,271	37,283
Provisions	18,864	20,051
Other current liabilities	210,390	183,031
Subtotal	2,115,065	1,975,529
Liabilities directly associated with non-current assets classified as held for sale	30,176	764
Total current liabilities	2,145,241	1,976,293
NON-CURRENT LIABILITIES:		
Bonds and borrowings	346,174	341,212
Other financial liabilities	198,914	199,385
Liability for retirement benefits	15,868	16,180
Provisions	13,048	12,639
Other non-current liabilities	6,259	4,869
Deferred tax liabilities	33,325	29,848
Total non-current liabilities	613,590	604,135
Total liabilities	2,758,832	2,580,428
EQUITY:		
Share capital	74,609	74,609
Share premium account	75,862	76,206
Treasury shares	(26,494)	(26,496)
Other components of equity	201,359	201,213
Retained earnings	49,511	99,078
Total equity attributable to owners of the parent	374,849	424,611
Non-controlling interests	73,105	61,119
Total equity	447,954	485,730
TOTAL LIABILITIES AND EQUITY	3,206,787	3,066,158

(2) Condensed Interim Consolidated Statement of Income

For the six months ended June 30, 2025 and June 30, 2026

(Millions of yen)

	Six months ended June 30, 2025 (From January 1 to June 30, 2025)	Six months ended June 30, 2026 (From January 1 to June 30, 2026)
Revenue	683,904	717,352
Cost of sales	(121,910)	(134,284)
Net revenue	561,994	583,068
Selling, general and administrative expenses	(506,823)	(523,866)
Business transformation cost	(4,369)	(12,411)
Gain (loss) on sale and retirement of non-current assets	(75)	29,634
Impairment loss	(86,576)	—
Other income	325	7,725
Other expenses	(1,020)	(280)
Operating profit (loss)	(36,545)	83,869
Share of results of associates	1,905	3,324
Gain on sales of shares of associates	12	45
Profit (loss) before interest and tax	(34,626)	87,240
Finance income	4,481	3,792
Finance costs	(13,229)	(13,572)
Profit (loss) before tax	(43,375)	77,459
Income tax expense	(25,934)	(25,928)
Profit (loss) for the period	(69,309)	51,530
Profit (loss) attributable to:		
Owners of the parent	(73,647)	46,277
Non-controlling interests	4,337	5,253
Earnings (loss) per share		
Basic earnings (loss) per share (Yen)	(283.72)	178.27
Diluted earnings (loss) per share (Yen)	(283.72)	177.58

Reconciliation from operating profit (loss) to underlying operating profit

(Millions of yen)

	Six months ended June 30, 2025 (From January 1 to June 30, 2025)	Six months ended June 30, 2026 (From January 1 to June 30, 2026)
Operating profit (loss)	(36,545)	83,869
Amortization of intangible assets incurred in acquisitions	12,381	12,268
Selling, general and administrative expenses	545	55
Business transformation cost	4,369	12,411
(Gain) loss on sale and retirement of non-current assets	75	(29,634)
Impairment loss	86,576	—
Other income	(2)	(7,137)
Other expenses	127	147
Underlying operating profit (Note)	67,526	71,982

(Note) The underlying operating profit is a KPI to measure recurring business performance which is calculated by eliminating gain/loss related to M&As and one-off items from operating profit.

Gain/loss related to M&As: Amortization of M&A related intangible assets, acquisition costs and share-based compensation expenses following the acquisition of 100% ownership of a subsidiary

Examples of one-off items: Business transformation cost, impairment loss, gain/loss on sales of non-current assets and extra retirement payments

Underlying operating profit is not defined under IFRS; however, it is voluntarily disclosed in the Condensed Interim Consolidated Statement of Income since management has concluded that the information is useful for users of the financial statements.

(3) Condensed Interim Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended June 30, 2025 (From January 1 to June 30, 2025)	Six months ended June 30, 2026 (From January 1 to June 30, 2026)
PROFIT (LOSS) FOR THE PERIOD	(69,309)	51,530
OTHER COMPREHENSIVE INCOME		
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS:		
Net change in financial assets measured at fair value through other comprehensive income	1,733	3,628
Remeasurements of defined benefit plans	60	147
Share of other comprehensive income of investments accounted for using the equity method	(57)	(124)
ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS:		
Exchange differences on translation of foreign operations	(20,625)	(2,338)
Effective portion of the change in the fair value of cash flow hedges	(6,850)	3,060
Hedge cost	190	80
Share of other comprehensive income of investments accounted for using the equity method	11	(11)
Other comprehensive income, net of tax	(25,537)	4,442
COMPREHENSIVE INCOME FOR THE PERIOD	(94,847)	55,973
COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:		
Owners of the parent	(98,981)	50,634
Non-controlling interests	4,134	5,338

(4) Condensed Interim Consolidated Statement of Changes in Equity

For the six months ended June 30, 2025 (From January 1 to June 30, 2025)

(Millions of yen)

	Total equity attributable to owners of the parent					
				Other components of equity		
	Share capital	Share premium account	Treasury shares	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	18,190	(1,131)
Profit (loss) for the period						
Other comprehensive income				(20,374)	(6,850)	190
Comprehensive income for the period	—	—	—	(20,374)	(6,850)	190
Repurchase of treasury shares			(0)			
Disposal of treasury shares		(17)	67			
Dividends						
Transactions with non-controlling interests						
Loss of control of subsidiaries						
Transfer from other components of equity to retained earnings						
Transfer to non-financial assets					(566)	
Other changes		100				
Transactions with owners—total	—	83	66	—	(566)	—
As of June 30, 2025	74,609	75,456	(26,492)	131,225	10,773	(941)

(Millions of yen)

	Total equity attributable to owners of the parent						
	Other components of equity						
	Net change in financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total	Retained earnings	Total	Non-controlling interests	Total equity
As of January 1, 2025	47,822	—	216,481	356,933	696,838	72,197	769,035
Profit (loss) for the period			—	(73,647)	(73,647)	4,337	(69,309)
Other comprehensive income	1,640	60	(25,333)		(25,333)	(203)	(25,537)
Comprehensive income for the period	1,640	60	(25,333)	(73,647)	(98,981)	4,134	(94,847)
Repurchase of treasury shares			—		(0)		(0)
Disposal of treasury shares			—		50		50
Dividends			—	(18,105)	(18,105)	(5,182)	(23,287)
Transactions with non-controlling interests			—	(152)	(152)	(42)	(194)
Loss of control of subsidiaries			—		—		—
Transfer from other components of equity to retained earnings	(11,829)	(60)	(11,889)	11,889	—		—
Transfer to non-financial assets			(566)		(566)		(566)
Other changes			—	(212)	(112)		(112)
Transactions with owners—total	(11,829)	(60)	(12,455)	(6,580)	(18,885)	(5,224)	(24,110)
As of June 30, 2025	37,634	—	178,692	276,705	578,971	71,107	650,078

For the six months ended June 30, 2026 (From January 1 to June 30, 2026)

(Millions of yen)

	Total equity attributable to owners of the parent					
				Other components of equity		
	Share capital	Share premium account	Treasury shares	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, 2026	74,609	75,862	(26,494)	159,993	10,879	(890)
Profit (loss) for the period						
Other comprehensive income				(2,396)	3,060	80
Comprehensive income for the period	—	—	—	(2,396)	3,060	80
Repurchase of treasury shares			(1)			
Disposal of treasury shares						
Dividends						
Transactions with non-controlling interests						
Loss of control of subsidiaries						
Transfer from other components of equity to retained earnings						
Transfer to non-financial assets					(1,440)	
Other changes		344				
Transactions with owners—total	—	344	(1)	—	(1,440)	—
As of June 30, 2026	74,609	76,206	(26,496)	157,596	12,498	(810)

(Millions of yen)

	Total equity attributable to owners of the parent						
	Other components of equity						
	Net change in financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total	Retained earnings	Total	Non-controlling interests	Total equity
As of January 1, 2026	31,377	—	201,359	49,511	374,849	73,105	447,954
Profit (loss) for the period			—	46,277	46,277	5,253	51,530
Other comprehensive income	3,465	147	4,356		4,356	85	4,442
Comprehensive income for the period	3,465	147	4,356	46,277	50,634	5,338	55,973
Repurchase of treasury shares			—		(1)		(1)
Disposal of treasury shares			—		—		—
Dividends			—		—	(3,651)	(3,651)
Transactions with non-controlling interests			—	(52)	(52)	(1,535)	(1,588)
Loss of control of subsidiaries			—		—	(12,137)	(12,137)
Transfer from other components of equity to retained earnings	(2,915)	(147)	(3,063)	3,063	—		—
Transfer to non-financial assets			(1,440)		(1,440)		(1,440)
Other changes			—	278	622		622
Transactions with owners—total	(2,915)	(147)	(4,503)	3,289	(872)	(17,325)	(18,197)
As of June 30, 2026	31,927	—	201,213	99,078	424,611	61,119	485,730

(5) Condensed Interim Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended June 30, 2025 (From January 1 to June 30, 2025)	Six months ended June 30, 2026 (From January 1 to June 30, 2026)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (loss) before tax	(43,375)	77,459
ADJUSTMENTS FOR:		
Depreciation and amortization	37,723	36,283
Impairment loss	86,576	—
Interest and dividend income	(3,396)	(2,871)
Interest expense	11,012	13,125
Share of results of associates	(1,905)	(3,324)
Revaluation (gain) loss on contingent consideration and put option liability	(35)	48
(Gain) loss on sale and retirement of non-current assets	75	(29,634)
(Gain) loss on valuation of securities	1,699	(135)
Increase (decrease) in liability for retirement benefits	114	443
Increase (decrease) in provision of business transformation cost	(1,419)	(1,351)
Other—net	(223)	(10,430)
Cash flows from operating activities before adjusting changes in working capital and others	86,844	79,613
CHANGES IN WORKING CAPITAL:		
(Increase) decrease in trade and other receivables	176,231	239,336
(Increase) decrease in inventories	(11,411)	(15,998)
(Increase) decrease in other current assets	(3,319)	(15,305)
Increase (decrease) in trade and other payables	(163,537)	(130,090)
Increase (decrease) in other current liabilities	(22,346)	(33,246)
Change in working capital	(24,383)	44,695
Subtotal	62,461	124,308
Interest received	2,181	2,556
Dividends received	2,609	4,786
Interest paid	(10,503)	(13,804)
Income taxes paid	(19,768)	(22,732)
Net cash flow from operating activities	36,981	95,115

	Six months ended June 30, 2025 (From January 1 to June 30, 2025)	Six months ended June 30, 2026 (From January 1 to June 30, 2026)
		(Millions of yen)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of property, plant and equipment, intangible assets	(8,648)	(8,533)
Proceeds from sale of property, plant and equipment, intangible assets	29	31,006
Net cash (paid) received on acquisition of subsidiaries	—	(110)
Net cash (paid) received on sale of subsidiaries	—	(14,076)
Payments for purchases of securities	(2,786)	(2,321)
Proceeds from sales of securities	21,427	5,818
Other—net	1,124	408
Net cash flow from investing activities	11,147	12,191
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase (decrease) in short-term borrowings	7,675	(4,612)
Proceeds from long-term borrowings	15,367	78
Repayment of long-term borrowings	(9,632)	(16,030)
Repayments of lease obligations	(19,048)	(17,913)
Payment for acquisition of interest in a subsidiary from non-controlling interests	(628)	(1,786)
Repurchase of treasury shares	(0)	(1)
Dividends paid	(18,105)	—
Dividends paid to non-controlling interests	(5,182)	(3,651)
Payments for settlement of derivatives	—	(11,625)
Other—net	338	(20)
Net cash flow from financing activities	(29,214)	(55,564)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(5,443)	1,888
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	13,469	53,630
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	371,989	295,183
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS INCLUDED IN ASSETS CLASSIFIED AS HELD FOR SALE	(16,215)	17,549
CASH AND CASH EQUIVALENTS AT END OF PERIOD	369,244	366,363

(6) Notes on the Condensed Interim Consolidated Financial Statements

(Notes on Premise of Going Concern)

No items to report

(Consolidated Statement of Income)

Six months ended June 30, 2025 (From January 1 to June 30, 2025)

(Impairment loss)

Given the deteriorating economic conditions in the Americas and EMEA, at the end of the six months ended June 30, 2025, the Group conducted an impairment test of goodwill for the cash-generating unit groups to which the Americas and EMEA goodwill had been allocated, as there were indications of impairment of goodwill. As a result, impairment losses of 68,858 million yen and 17,094 million yen on goodwill were recognized respectively in the cash-generating unit groups to which the Americas and EMEA goodwill had been allocated.

Six months ended June 30, 2026 (From January 1 to June 30, 2026)

No items to report

(Segment and Other Information)

1. Description of reportable segments

The Group's reportable segments are those for which discrete financial information is available, and for which the Board of Directors conducts regular reviews to make decisions about resources to be allocated and to assess performance.

The Group is mainly engaged in providing communications-related services focusing on advertising, and manages its business in the categories of "Japan," "Americas," "EMEA," and "APAC."

Accordingly, the Group has four reportable segments: "Japan," "Americas," "EMEA," and "APAC."

2. Information on reportable segments

Segment profit is based on operating profit net of adjusting items such as M&A related items and one-off items.

Intersegment revenues are based on the prevailing market price.

Six months ended June 30, 2025 (From January 1 to June 30, 2025)

(Millions of yen)

	Japan	Americas	EMEA	APAC	Total	Eliminations/ Central costs	Consolidated
Revenue (Note 1)	292,765	192,798	146,742	48,860	681,166	2,737	683,904
Net revenue (Note 2)	236,708	153,847	121,299	47,171	559,027	2,966	561,994
Segment profit (loss) (underlying operating profit (loss)) (Note 3)	58,328	33,342	5,697	(4,191)	93,176	(25,650)	67,526
(Adjusting items)							
Amortization of intangible assets incurred in acquisitions	—	—	—	—	—	—	(12,381)
Selling, general and administrative expenses	—	—	—	—	—	—	(545)
Business transformation cost	—	—	—	—	—	—	(4,369)
Loss on sale and retirement of non-current assets	—	—	—	—	—	—	(75)
Impairment loss	—	—	—	—	—	—	(86,576)
Other income	—	—	—	—	—	—	2
Other expenses	—	—	—	—	—	—	(127)
Operating loss	—	—	—	—	—	—	(36,545)
Share of results of associates	—	—	—	—	—	—	1,905
Gain on sales of shares of associates	—	—	—	—	—	—	12
Finance income	—	—	—	—	—	—	4,481
Finance costs	—	—	—	—	—	—	(13,229)
Loss before tax	—	—	—	—	—	—	(43,375)
Segment assets (Note 4)	1,065,926	1,162,805	655,471	302,710	3,186,913	(37,776)	3,149,136

Six months ended June 30, 2026 (From January 1 to June 30, 2026)

(Millions of yen)

	Japan	Americas	EMEA	APAC	Total	Eliminations/ Central costs	Consolidated
Revenue (Note 1)	295,838	194,472	170,639	52,941	713,892	3,460	717,352
Net revenue (Note 2)	235,936	156,129	137,952	49,554	579,573	3,494	583,068
Segment profit (loss) (underlying operating profit (loss)) (Note 3)	60,409	29,398	12,143	(3,213)	98,736	(26,754)	71,982
(Adjusting items)							
Amortization of intangible assets incurred in acquisitions	—	—	—	—	—	—	(12,268)
Selling, general and administrative expenses	—	—	—	—	—	—	(55)
Business transformation cost	—	—	—	—	—	—	(12,411)
Gain on sale and retirement of non-current assets	—	—	—	—	—	—	29,634
Other income	—	—	—	—	—	—	7,137
Other expenses	—	—	—	—	—	—	(147)
Operating profit	—	—	—	—	—	—	83,869
Share of results of associates	—	—	—	—	—	—	3,324
Gain on sales of shares of associates	—	—	—	—	—	—	45
Finance income	—	—	—	—	—	—	3,792
Finance costs	—	—	—	—	—	—	(13,572)
Profit before tax	—	—	—	—	—	—	77,459
Segment assets (Note 4)	1,125,154	1,086,739	656,016	330,999	3,198,910	(132,751)	3,066,158

(Notes)

1. Eliminations/central costs for revenue are due to eliminations of revenue associated with central functions and intersegment transactions. Revenue from central functions was 3,797 million yen in the six months ended June 30, 2025, and 4,334 million yen in the six months ended June 30, 2026.
2. Eliminations/central costs for net revenue are due to eliminations of net revenue associated with central functions and intersegment transactions. Net revenue from central functions was 3,685 million yen in the six months ended June 30, 2025, and 4,082 million yen in the six months ended June 30, 2026.
3. Eliminations/central costs for segment profit (underlying operating profit) are primarily expenses associated with central functions.
4. Eliminations/central costs for segment assets are due primarily to central assets and eliminations of intersegment transactions.

(Significant Subsequent Events)

No items to report