

NEWS RELEASE**FOR IMMEDIATE RELEASE****January 24, 2007**

Dentsu Subsidiaries Meitetsu Agency and Ad Dentsu (Nagoya) to Merge

-New Company to be Called Dentsu Meitetsu Communications Inc.-

Dentsu Inc. (President & CEO: Tateo Mataka; Head Office: Tokyo; Capital: 58,967.1 million yen) announced today that its subsidiaries Meitetsu Agency Inc. (President: Tatsuo Egawa; Head Office: Nagoya, Aichi; Capital: 96 million yen), and Ad Dentsu Inc. (Nagoya) (President: Tsuneo Kobayashi; Head Office: Nagoya, Aichi; Capital: 10 million yen) will be merged on April 1, 2007, and that the name of the surviving company will be changed to Dentsu Meitetsu Communications Inc. The company will move to new premises as of the date of the merger.

1. Purpose of the Merger

Dentsu acquired 50% of the outstanding shares of Meitetsu Agency in March 2006, and the company has been operating as a Dentsu subsidiary since April 2006. Ad Dentsu Inc. (Nagoya) was established in May 1959 as a wholly-owned subsidiary of Dentsu. The merger will allow the new company to enhance its client services through reinforced marketing power, and the consolidation of management operations will increase cost efficiency.

2. Method of the Merger

In the present merger, Meitetsu Agency will be the surviving company, while Ad Dentsu Inc. (Nagoya) will be dissolved through absorption and merger with Meitetsu Agency. Following the merger, Dentsu will maintain the same 50% shareholder ratio in the new company as it presently holds in Meitetsu Agency, with Nagoya Railroad owning the remaining 50%. This reflects Nagoya Railroad's desire to maintain the close relationship it has enjoyed with Meitetsu Agency. Dentsu, however, will appoint the majority of the directors to the new company, which will remain a consolidated

subsidiary of Dentsu.

3. Profiles of the Three Companies

Dentsu Meitetsu Communications Inc.

1. Company Name: Dentsu Meitetsu Communications Inc.
2. Location: 6F, Nissey Nagoya-eki Nishi Bldg., 6-9 Tsubaki-cho, Nakamura-ku, Nagoya, Aichi
3. Principal Business: Advertising
4. Capital: 96 million yen
5. Principal Shareholders and Holding Ratios: Dentsu (50%), Nagoya Railroad Co., Ltd. (50%)
6. Representative: Tatsuo Egawa, President, (tentative; current president of Meitetsu Agency Inc.)
7. Number of Employees: 230 (tentative)

Meitetsu Agency Inc.

1. Company Name: Meitetsu Agency Inc.
2. Location: 9F, Meitetsu Bus Terminal Bldg., 1-2-4 Meieki, Nakamura-ku, Nagoya, Aichi
3. Capital: 96 million yen
4. Date Established: April 1961
5. Number of Directors and Employees: 207 (As of September 1, 2006)
6. Principal Shareholders and Shareholding Ratios: Dentsu Inc. (50%), Nagoya Railroad Co., Ltd. (50%)
7. Representative: Tatsuo Egawa, President
8. Principal Business: Advertising
9. Location of Major Offices: Nagoya, Tokyo, Osaka, Sendai, Gifu, Mie

Ad Dentsu (Nagoya)

1. Company Name: Ad Dentsu Inc. (Nagoya)
2. Location of Head Office: Maruzen Bldg., 3-2-7 Sakae, Naka-ku, Nagoya, Aichi
3. Capital: 10 million yen
4. Date Established: May 1959
5. Number of Directors
and Employees: 23 (As of September 1, 2006)
6. Principal Shareholders
and Shareholding Ratios: Dentsu Inc. (100%)
7. Representative: Tsuneo Kobayashi, President
8. Principal Business: Advertising
9. Location of Major Offices: Nagoya, Gifu, Mie

4. Impact on Dentsu's Financial Results

The future impact of this transaction on Dentsu's consolidated and non-consolidated financial results is expected to be minimal.

Contact: Yukihiro Oguchi
Senior Manager
Corporate Communications Division
Telephone: (813) 6216-8042
E-mail: yukihiro.oguchi@dentsu.co.jp

#####