

**NEWS RELEASE****FOR IMMEDIATE RELEASE****February 8, 2007**

**Dentsu and  
Digital Hollywood University Graduate School  
Announce the Establishment of  
Second Life® Study Association and  
Second Life® Laboratory Japan**

*—New Entities Aim to Assist Companies Setting Up Operations*

*within Second Life®, a 3D Virtual World—*

Dentsu Inc. (President & CEO: Tateo Mataka; Head Office: Tokyo; Capital: 58,967.1 million yen) and Digital Hollywood Co., Ltd. (President & CEO: Shinsuke Fujimoto; Headquarters: Tokyo; Capital: 667.096 million yen) announced today that they plan to establish Second Life® Study Association (SLSA) in late February 2007. Digital Hollywood is Japan's first corporate operator of the for-profit specialist graduate school, Digital Hollywood University Graduate School, as well as other specialist schools for digital creators.

Second Life® (Note 1) is a popular 3-D virtual world created by Linden Lab. SLSA will facilitate information exchange among Japanese companies and organizations undertaking marketing activities related to Second Life®. At the same time, Dentsu and Digital Hollywood plan to establish Second Life® Laboratory Japan (SLLJ) within the Second Life® virtual world, which will conduct research for enhancing services catering to Japanese companies and individuals who plan to participate in various activities on the Second Life® Grid. SLLJ will also support the communications activities of companies participating in SLSA.

As the uptake of broadband accelerates among Internet users, consumers are beginning to adopt and experience new aspects of Internet culture. This is leading to the advent of a wide range of new services based on the Web 2.0 concept of active user participation. Among such services, Second Life®, created and operated by Linden Lab, has over three million (Note 2) worldwide registered accounts, or "Residents."

Recognizing the potential of Second Life®, Dentsu has periodically exchanged information and ideas with Linden Lab on the premise that Second Life® will be available in the Japanese language, and has given advice on the Japanese market environment. Digital Hollywood University Graduate School rapidly launched a number of research projects to focus on bolstering awareness of Second Life® in Japan and to encourage Japanese Internet users to participate in it. This quickly led to the establishment of the Second Life® Laboratory within the Graduate School. Since 2006, the school has published information relating to Second Life® and has been conducting a series of Second Life® Training Programs.

Dentsu and Digital Hollywood decided to establish SLSA later this month. It will be comprised of Japanese companies and organizations interested in setting up operations within the Second Life® Grid. The association will facilitate discussions and information exchanges on a broad array of issues relating to the development of Second Life® Grid operations, including service delivery, security, legal issues and technology development. The association will organize seminars featuring leading third-party specialists from a variety of fields as a means of assisting companies to build their own Second Life® Grid operations.

In addition, Dentsu and Digital Hollywood plan to establish SLLJ within the Second Life® virtual world later this month. SLLJ will be a jointly run laboratory conducting research into trends among Second Life® Residents as well as monitoring Residents' economic activities. Specific research topics will include cultural and legal differences between the United States and Japan. SLLJ will promote enhanced services for Japanese users and provide comprehensive support for companies participating in SLSA as they develop their Second Life® Grid operations.

Note 1: Second Life® is a 3D online world with a rapidly growing population from 100 countries around the globe, in which the Residents themselves create and build the world which includes homes, vehicles, nightclubs, stores, landscapes, clothing, and games.

The Second Life® Grid is a sophisticated development platform created by Linden Lab, a company founded in 1999 by Philip Rosedale, to create a revolutionary new form of shared 3D experience. The former CTO of RealNetworks, Rosedale pioneered the development of many of today's streaming media technologies, including RealVideo. In April 2003, noted software pioneer Mitch Kapor, founder of Lotus Development Corporation, was named Chairman. In 2006, Philip Rosedale and Linden Lab received WIRED's Rave Award for Innovation in Business. Based in San Francisco, Linden Lab employs a senior team bringing together deep expertise in physics, 3D graphics and networking. *Second Life® and Linden Lab® are registered trademarks of Linden Research, Inc.*

Note 2: Based on the number of registered accounts as of January, 2007.

**Outline of Second Life® Study Association (SLSA)**

Name: Second Life® Study Association (SLSA)  
Office: Located within Dentsu Inc.  
Operating Companies: Dentsu Inc., Digital Hollywood Co., Ltd.  
Date of Establishment: Late February 2007  
Principal Activities: Information exchange and research on issues relating to the development of operations within the Second Life® Grid

**Outline of Second Life® Laboratory Japan (SLLJ)**

Name: Second Life® Laboratory Japan (SLLJ)  
Location: Within the Second Life® virtual world  
Laboratory Director: To be appointed  
Date of Establishment: Late February 2007  
Principal Activities: 1. Research and development:  
Development of a wide range of technologies necessary to promote interest in and popularization of Second Life® in Japan  
2. Consulting  
Consulting services to support companies launching operations within Second Life®  
3. Design  
Design services for 3-D spaces within Second Life®  
4. Production  
Video production services, digital shop development and other content development utilizing Digital Hollywood's expertise

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**Reference Material : Comment from Linden Lab**

"The Second Life® Study Association and Second Life® Laboratory Japan will be leading sources of information and collaboration for Japanese businesses building experiences in Second Life® and on the Second Life® Grid. Dentsu and Digital Hollywood are among the first companies in Japan to understand the possibilities in Second Life®, and they are demonstrating and extending their leadership with the formation of the Study Association and Laboratory."

Ginsu Yoon,  
VP International of Linden Lab

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