

NEWS RELEASE**FOR IMMEDIATE RELEASE****March 7, 2007**

Dentsu and RECRUIT to Establish DRUM as a New Joint Venture

*—The new company will utilize FeliCa Technology
for sales promotion solutions—*

Dentsu Inc. (President & CEO: Tateo Mataki; Head Office: Tokyo; Capital: 58,967.1 million yen) and RECRUIT CO., LTD. (President & CEO: Hitoshi Kashiwaki; Head Office: Tokyo; Capital: 3,002.64 million yen) announced today that they have agreed to establish a new company, DRUM Inc., in April, which will specialize in the development and provision of sales promotion solutions utilizing FeliCa contactless IC card technology.

Electronic payment systems based on FeliCa technology are rapidly gaining penetration in Japan, particularly through services offered by transportation operators, retailers and mobile phone carriers. Since the launch of their capital tie-up and business alliance in January this year, Dentsu and RECRUIT have considered ways to collaborate in the marketing solutions business, particularly in the area of sales promotion using electronic money technology. On this occasion, DRUM will be established as a joint venture between the two companies, and through collaborative business development, will aim to commence services before the end of 2007.

Dentsu offers integrated marketing communications services to its clients, including services in the sales promotion areas. By incorporating electronic money technology into sales promotion solution services, Dentsu plans to provide new types of communications services to clients that cover a full array of contact points, including media contact by consumers, customer store visits and stimulating purchase behavior.

RECRUIT provides a comprehensive line-up of services in the consumer-marketing sphere, covering a wide range of media and tools used for attracting retail customers and supporting sales promotions. Through the utilization of electronic money technology, RECRUIT plans to further offer new and higher value-added products and services.

DRUM will combine Dentsu's expertise in marketing communications planning and execution with RECRUIT's capabilities in media production focused on consumer lifestyles

and purchasing trends. Through this partnership, the new company will develop sales promotion services that generate high benefits to both advertisers and consumers in terms of convenience. Specifically, DRUM will develop a new cross-media platform and provide media representative services based on this platform. The company will also pursue sales promotion solutions businesses that utilize electronic coupon services.

Outline of the New Company

Company Name:	DRUM Inc. (tentative)
Capital:	100 million yen (tentative)
Location:	Shibuya-ku, Tokyo (tentative)
Shareholding Ratio:	Dentsu Inc. 60%, RECRUIT CO., LTD. 40%
Date of Establishment:	April 2007
President:	To be appointed from Dentsu (tentative)
Number of Employees:	4 (tentative)
Principal Businesses:	(1) Development of a cross-media platform utilizing FeliCa contactless IC card technology as well as advertising services related to this platform (2) A coupon service business compatible with FeliCa contactless IC card technology (3) A range of support businesses relating to the promotion of electronic money usage (4) Development and sale of a sales promotion solution system utilizing FeliCa contactless IC card technology

Impact on Earnings

The impact of this transaction on Dentsu's consolidated and non-consolidated financial results for the fiscal year ending March 31, 2007, is expected to be minimal. Dentsu is as yet unable to project any possible impact of this transaction on its consolidated financial results for the fiscal year ending March 31, 2008.

Profile of Dentsu Inc.

Company Name:	Dentsu Inc.
President & CEO:	Tateo Mataka
Location:	1-8-1, Higashi-shimbashi, Minato-ku, Tokyo
Capital:	58,967.1 million yen
Net Sales:	1,577,131 million yen (non-consolidated financial results for the fiscal year ended March 31, 2006)
Number of Employees:	6,169 (as of September 30, 2006)
Principal Business:	Full-service advertising

Profile of RECRUIT CO., LTD.

Company Name: RECRUIT CO., LTD.
President & CEO: Hitoshi Kashiwaki
Location: 8-4-17, Ginza, Chuo-ku, Tokyo
Capital: 3,002.64 million yen
Net Sales: 443,672 million yen (non-consolidated financial results for the fiscal year ended March 31, 2006)
Number of Employees: 6,298 (as of October 1, 2006)
Principal Business: General human resource services; matching services linking products with consumers through information magazines, the Internet and mobile communication devices

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