

NEWS RELEASE**FOR IMMEDIATE RELEASE****July 1, 2008****Dentsu to Strengthen and Facilitate
‘Solutions’, ‘Digital’ and ‘Global’****Organizational Reform to be Implemented**

*-President & COO Takashima Addresses Dentsu Employees at the 107th
Anniversary Ceremony Commemorating the Company's Foundation-*

Dentsu Inc. (President & COO: Tatsuyoshi Takashima; Head Office: Tokyo; Capital: 58,967.1 million yen), held a ceremony commemorating the 107th anniversary of the Company's foundation at 10:00 a.m. on July 1, 2008, at its Tokyo Head Office and its Kansai and Chubu branch offices.

The Tokyo Head Office ceremony took place in the Dentsu Hall on the first floor of the Head Office Building in Shiodome, where President Takashima delivered a speech on Group strategy to the employees.

Following are highlights of the speech.

“Today, as we celebrate the anniversary of the company's foundation, the Dentsu Head Office is implementing a reform of its organizational structure. This reform is the first step in our plan for a greater reorganization with a view to facilitating the further growth and development of the entire Dentsu Group. On this occasion, I would like to share with you my thoughts on why this reform is necessary for us, and how we need to adjust our direction to realize future growth.

“To begin with, we must pay close attention to the rapid transformation of our social environment which is widely, strongly and steadily changing the way in which we conduct our business. The evolution of communications technology, represented by the rapid development of the Internet and mobile communications, has brought about unprecedented

variations to communications channels that are directed from corporations to consumers. Moreover, the amount of information available has increased tremendously. Social structural changes, such as Japan continuing to be a nation with an aging population and low birthrate, are also changing the style of communication between corporations and consumers. Furthermore, consumer awareness concerning corporate social responsibility, such as environmental issues and corporate ethics, has grown substantially. Many clients are already recognizing these ongoing changes in consumers, and have commenced efforts to reshape their communications activities.

“Looking forward, we must understand the changing perspectives of consumers and clients, and become aware of the core communication issues so that we can design innovative communications schemes. This means that we must be capable of delivering optimum ‘solutions’ by exploring all communications possibilities including digital, promotional and contents-development activities. The enforcement of capabilities in delivering ‘solutions’ should be the very foundation of our further growth. Therefore, it is crucial that we firmly establish ourselves in the digital domain, which is rapidly transforming the lifestyles of consumers. Moreover, as a growing number of clients expand their businesses overseas, it is imperative that we ascertain how best we can demonstrate our capabilities in the global domain where opportunities for growth exist. The organizational reform we are implementing today is the first step towards strengthening and facilitating our three core areas, which are ‘solutions’, ‘digital’ and ‘global’. Through this reform, I intend for the Dentsu Group to develop a new growth model.

“For ‘solutions’, we have drawn together all the solutions capabilities scattered among various sections within the Head Office. The aim is to reinforce specialized capabilities and to form a structure which enables collaborative efforts among the Dentsu Group for the design of integrated communications. I believe that our strength in ‘specialization’ and ‘integration’ is the competitive advantage of the Dentsu Group. In the area of ‘digital’, in order to create a new business model, we must attract as well as nurture experts, materialize strategic partnerships and investment opportunities, and also be actively involved in the development of digital technologies. In terms of ‘global’, we aim to form a structure capable of delivering ‘integrated solutions’ equal in quality to our offerings in the Japanese market. Our initial efforts will be centered around the emerging BRICs countries such as Russia, India and China, where we plan to promptly establish bases and infrastructure for account servicing activities.

“However, we must remember that organizational and system reforms will not instantly produce answers to counteract the on-going changes. In order to establish a ‘new growth model’, I believe that each and every one of us needs to be aware of ‘profitability’ and we must exert our efforts for the enhancement of delivering added value to the services we provide to our business partners. Furthermore, effective July 1, we have newly established a Business Incubation Office with the mission to develop new businesses and technology. I think it is important that we foster a corporate culture that encourages employees to constantly search for new ideas and bring forth innovation.

“The world economy and transformations in society are posing numerous issues for our clients. Global environmental issues are particularly critical themes for all corporations. This month, at the Head Office, we will put in place a committee for the deliberation of environment-related strategies. I intend for the entire Group to also pay closer attention to this subject.

“I am confident that if all of us continue to exert our talents to the maximum, we shall, with no doubt, overcome any challenges and proceed into the new era together. Let us all join together in creating a new Dentsu Group.”

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