

**NEWS RELEASE****FOR IMMEDIATE RELEASE****November 12, 2008**

## **Dentsu Announces Partial Transfer of Geneon Entertainment Inc. Shares and Merger thereof with a Subsidiary of UPIE**

Dentsu Inc. (President & COO: Tatsuyoshi Takashima; Head Office: Minato-ku, Tokyo; Capital: 58,967.1 million yen; hereinafter "Dentsu") announced today that it will transfer the shares of its wholly-owned subsidiary, Geneon Entertainment Inc. (President & CEO: Sumio Kiga; Head Office: Shibuya-ku, Tokyo; hereinafter "Geneon"), a videogram sales company, to Universal Pictures International Entertainment (President: Eddie Cunningham; Head Office: London, hereinafter "UPIE"), a division of NBC Universal (Managing Director Japan Representative: Taichi Fukuda; Head Office: New York; hereinafter "NBCU"), and in addition that Dentsu has entered into an agreement for the merger of Geneon and UPIE's Japanese affiliate, Universal Pictures (Japan) Inc. (President: Gen Akiyama; Head Office: Minato-ku, Tokyo; hereinafter "UPJ").

### **1. Purpose of Share Transfer and Merger**

The secondary market for video and music in Japan is gradually maturing, and digitalization is rapidly progressing. Dentsu has determined that, through the merger of Geneon and UPJ under such circumstances, it will be possible to realize not only a stable supply of strong content, taking advantage of being an NBCU Group company, but also further enhancement of sales ability.

### **2. Summary of Share Transfer Agreement**

- 1) State of shares to be transferred  
Percentage of shares to be transferred: a majority of the shares of Geneon
- 2) Dates:  
November 7, 2008: Execution of Share Transfer Agreement  
End of November, 2008: Scheduled timing for share transfer

### **3. Merger Agreement**

- 1) New company  
UPJ and Geneon will merge, and the new company is expected to change its corporate name.
- 2) Merger date  
February, 2009 (scheduled)

- 3) Shareholding ratio after merger  
UPIE: 80.1%  
Dentsu: 19.9%

#### 4. Outline of "Geneon "

Company Name	Geneon Entertainment Inc.
Capital	3.6 billion yen (100% held by Dentsu)
Location of Head Office	1-20-6, Ebisu-Minami, Shibuya-ku, Tokyo, Japan
Date of Establishment	March 1981
Representative	Sumio Kiga, President & CEO
Number of Employees	178 (as of October 2008)
Business	Creation, production, sales, etc. of video, music and other duplicated products.

#### 5. Impact on Business

As a consequence of this merger, Dentsu posted an extraordinary loss of approximately 4.4 billion yen in its consolidated financial results for the second quarter of the fiscal year ending March 31, 2009.

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