

NEWS RELEASE**FOR IMMEDIATE RELEASE****July 21, 2009**

Dentsu Announces New Medium-Term Management Plan “Dentsu Innovation 2013” (Fiscal 2009-2013)

Dentsu Inc. (President & CEO: Tatsuyoshi Takashima; Head Office: Tokyo; Capital: 58,967.1 million yen) announced today “Dentsu Innovation 2013”—a new Group medium-term management plan for fiscal years 2009-2013.

Overview of “Dentsu Innovation 2013”

Current Business Environment—a Backdrop for the New Medium-Term Management Plan

With the falling birthrate and an aging population combined with growing concerns about the environment, the Japanese social structure and societal awareness are changing. The continued progression of digital technology is dramatically influencing the lifestyles of consumers. Abroad, markets in developed countries are said to be nearing maturity, while emerging countries are increasing their presence in the world economy. All this has accelerated the pace of the global business operations of our clients both at home and abroad.

Against such a backdrop, the Dentsu Group is striving to establish a new growth model for the new era by embracing change as our ally and proactively transforming ourselves.

The Dentsu Group in the New Platform Era

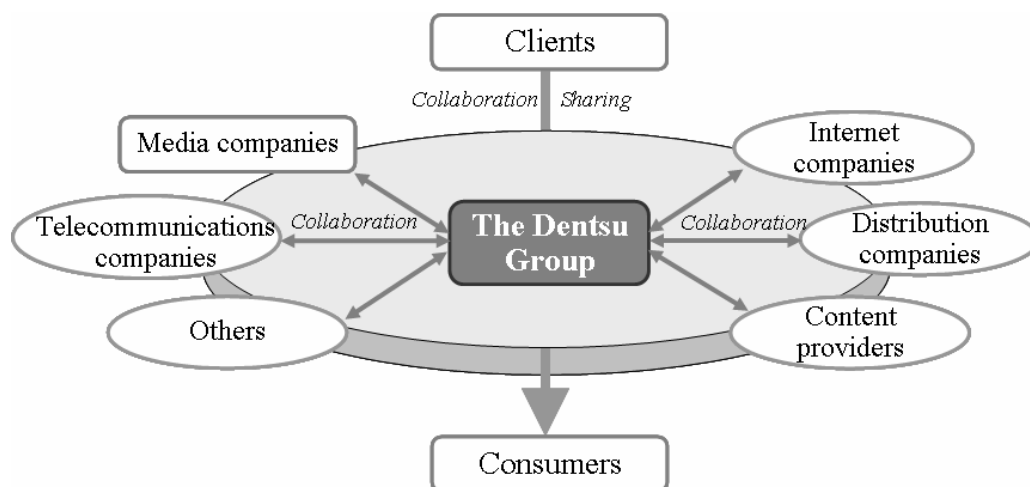
Of all the drivers for the changes that are taking place, the most prominent is the evolving digital technology, as it has a profound, global impact on how consumers, companies and media interact with each other. Owing to digital technology, various players can now share the same information and be engaged in free and direct communications, transactions and consumption. At the same time, we are now able to more precisely understand, clearly analyze and gain insight into the activities taking place on this new platform. At the Dentsu Group, we believe this new platform is going to dynamically change the way we do

business.

To date, the Group has continued to serve as an interface between clients and consumers, creating value through various forms of our communications services. In what we call the new platform era, the Dentsu Group will work to enrich the value we deliver and strive to continually evolve as a business group.

Under the slogan of our new medium-term management plan—“**Taking on the Platform Era**”—we will pursue “Good Innovation.” in our client services, with media companies, for consumers, and certainly within our own mindset. We will connect the diverse values brought forth as we move steadily forward, aiming to become a business group that delivers greater synergy to society at large.

<The Position the Dentsu Group Seeks in the New Platform Era>



Turning the New Medium-Term Management Plan into Reality

In the new platform era, the Dentsu Group will combine its intrinsic strengths of knowledge and creative ideas with technology-driven new insight into consumers as well as new communication methods. Not only will this allow us to provide our clients with quality solutions, it will also help us build a new business model. By integrating all this, we believe the Dentsu Group will further increase business opportunities.

Five Directions

In implementing our new medium-term management plan, “Dentsu Innovation 2013,” we

define five specific areas for innovation as follows.

1. Services Innovation

- Strengthen our capacity to address client issues and expand the scope of our services
 - Strengthen collaboration within the Group, while promoting the specialization of each Group company, to enhance our capabilities in providing services in the mass media, digital-related, promotional and consulting categories to meet the diverse needs of clients in business management, product development and advertising communications activities.
 - Pursue the realization of a flexible account services system, by scrutinizing and making the content and system of our services in line with the new platform era.

2. Business Model Innovation

- Establish a high-value added business model for the new platform era.
 - Identify ways to have keener insight into consumers, know the client issues precisely and deliver solutions, by drawing upon the Group's capabilities or by collaborating with other companies, while pursuing restructuring of the media business.
 - Develop a new business model for the new era, while capitalizing on new technologies.

3. Global Business Innovation

- Reinforce global competitiveness.
 - Secure a stable foothold and increase our competitiveness in BRICs and other growth markets in accordance with the circumstances of each country, thereby winning more local clients and global accounts, as well as the accounts of Japanese clients operating in those markets.

4. Human Resources Innovation

- Implement a sweeping reform of Group-wide human resources and development programs.
 - Provide more appropriate evaluation and payment system to employees based on their individual contributions, skills, and market value.
 - Enhance education and training systems and develop diversified career paths and work-styles for each employee of each Group company.

5. Cost Innovation

- Implement Group-wide cost structural reforms.

- Aim to maximize profit-earning opportunities, by strengthening our profit control system in response to changes in business structure and increasing the gross profit margin.
- Undertake an overall review of our business structure with particular emphasis on back-office sections, to promote further streamlining of Group-wide operations.
- Increase productivity by reallocating human resources in response to changes in business structure, while minimizing overlap in functions within the Group.

Medium-Term Management Plan Objectives (FY2013)

At the Dentsu Group, under this new medium-term management plan, we will strive to accomplish the management objectives shown below by the end of FY2013, by making an all-out effort to drive reform of our business structure and engaging aggressively in activities befitting the new era.

- Consolidated operating income: 70.0 billion yen
- Increase operating margin to 20% or higher
 - Operating margin = operating income / gross profit × 100
- ROE: 8%

[Note: Further details of the new medium-term management plan will be announced on July 29.](#)

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