

FOR IMMEDIATE RELEASE

April 16, 2010

## **Dentsu to Establish Dentsu Entertainment USA to Develop Original Content and Expand Global Licensing Sales**

Dentsu Inc. (President & CEO: Tatsuyoshi Takashima; Head Office: Tokyo; Capital: 58,967.1 million yen), announced today that it has decided to establish a new company, Dentsu Entertainment USA, Inc., to develop original content and expand sales of content-related licenses on a global basis. The new company, a wholly-owned subsidiary of Dentsu Inc., will be established in Santa Monica, California on April 16, 2010.

Dentsu Inc. had developed its animation and character-related entertainment business mainly within Japan, but just over two years ago the Company decided that it was time to consider how to best utilize its expertise in this business domain to both develop original animation and character-related content, and expand licensing for movies, toys and other merchandise on a global scale.

The special advance team set up within Dentsu America in January 2008 conducted a number of feasibility studies on the entertainment business which culminated in the conclusion that the establishment of a new content development company in the U.S. would not only maximize the synergy effect of the Group's existing businesses, but would also be an extremely effective way of further enhancing the Group's global capabilities.

The feasibility studies conducted by the advance team included management of the licenses for Chub City (toys) and Deltora Quest (animation), and these will be handled by Dentsu Entertainment USA. The new company will also handle the licensing for Mameshiba, original characters developed by Dentsu Inc. which have gained huge popularity in Japan. In addition, as the first step in the development of new original content, Dentsu Entertainment USA will form a strategic partnership with JAKKS Pacific, Inc. (Head Office: California, U.S.A.; NASDAQ: JAKK), the third-largest toy manufacturer in North America, to jointly produce an animated TV series and a line of toys for boys based on the original property MONSUNO, set to launch in 2011 in North America, Europe and Asia, and develop a license marketing business. In addition, Dentsu Entertainment USA and JAKKS Pacific will form a joint venture in

late April to manage the MONSUNO licensing business and expand it worldwide.

The impact of this transaction on Dentsu Inc.'s consolidated and non-consolidated financial results for the fiscal year ending March 31, 2011 is expected to be minimal.

**Profile of Dentsu Entertainment USA, Inc.**

- Company Name: Dentsu Entertainment USA, Inc.
- Location: Santa Monica, California, U.S.A.
- Capital: 358,000 U.S. dollars
- Shareholding Ratio: Dentsu Inc. 100%
- Date of Establishment: April 16, 2010
- President & CEO: Yuma Sakata (currently Dentsu America)
- Number of Employees: 4 (tentative)
- Principal Business:
  - (1) Develop global joint ventures with entertainment companies in North America
  - (2) Develop original animation, characters and other content
  - (3) Market licenses for proprietary content to companies in North America, Europe and Asia

**Examples of content licenses to be held by Dentsu Entertainment USA:**

◆ Deltora Quest (animation)



Adventure fantasy written by the best-selling author Emily Rodda

◆ Chub City (toys)



Toy characters that strongly embody cars, music, fashion and other aspects of American youth culture

◆ Mameshiba (characters)



Original Dentsu characters that spout irreverent trivia

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