

FOR IMMEDIATE RELEASE

February 17, 2012

## **Dentsu Reports Termination of Strategic Alliance and Other Agreements with the Publicis Groupe and Sale of Publicis Groupe Shares**

Dentsu Inc. (Tokyo: 4324; ISIN: JP3551520004; President & CEO: Tadashi Ishii; Head Office: Tokyo; Capital: 58,967.1 million yen) announced today that the Company passed a resolution at its Board of Directors meeting convened on February 16 at its Head Office in Tokyo to terminate its agreements with Publicis Groupe S.A. (Chairman and CEO: Maurice Lévy; Headquarters: Paris, France; hereinafter "Publicis"), a company with which it has maintained a capital and business alliance since September 2002, and to sell to Publicis a block of the shares of Publicis held by Dentsu. The transaction was consummated earlier today as follows.

### **1. Agreements terminated**

- Shareholders' Agreement with Publicis
- Strategic Alliance Agreement with Publicis
- Shareholders' Agreement with Mrs. Elisabeth Badinter, a member of the founding family and main shareholder of Publicis; as a result of this termination, Dentsu and Mrs. Badinter will no longer act in concert.

### **2. Sale of the shares**

- Number of common shares of Publicis sold: 18,000,000 shares (9.31% of the Publicis shares outstanding prior to the sale)
- Number of shares held by Dentsu post-sale: 3,875,139 shares (2.00% of the Publicis shares outstanding prior to the sale or 2.12% of the Publicis shares outstanding after the completion of the transaction and following the cancellation by Publicis of 10,759,813 shares out of the 18,000,000 shares purchased)
- Buyer: Publicis
- Sale price: 35.8 Euros per share (a total of 644.4 million Euros)

### **3. Resignation from Publicis' Supervisory Board**

In accordance with items 1 and 2 above, the following two Dentsu executives will resign from Publicis' Supervisory Board with effect as from today:

- Tatsuyoshi Takashima (Chairman, Dentsu Inc.)
- Tadashi Ishii (President & CEO, Dentsu Inc.)

#### **4. Future relationship between the two companies**

The close commercial relationship that Dentsu has built with Publicis over a period of approximately 10 years will continue into the future, and the Company will proactively consider all opportunities for future collaboration.

Dentsu will continue to hold 3,875,139 shares of Publicis (2.00% of the Publicis shares outstanding prior to the sale or 2.12% of the Publicis shares outstanding after the completion of the transaction and following the share cancellation).

Moreover, there will be no changes to the management structure or the management policies of the two companies established jointly by Dentsu and Publicis: Beacon Communications (Head Office: Tokyo; established in January 2001) and Dentsu Razorfish (Head Office: Tokyo; established in April 2001).

#### **5. Impact on Dentsu's earnings for the fiscal year ending March 31, 2012**

Extraordinary gains of 2.1 billion yen on a consolidated basis and 21.7 billion yen on a non-consolidated basis resulting from this transaction are expected to be realized during the fiscal year ending March 31, 2012. Such impact resulting from this transaction on the forecast of financial results for the fiscal year ending March 31, 2012 is currently under examination. A further announcement will be made as soon as the impact has been determined.

From the fiscal year starting April 1, 2012, Dentsu will not apply the equity method of accounting to Publicis.

Maurice Lévy, Chairman of the Management Board and CEO of Publicis Groupe, stated, "The partnership with Dentsu over the past 10 years has been amicable and exemplary. Dentsu's stake in the share capital of Publicis has furthered the development of the Groupe. I wish to express my gratitude for the elegance and professionalism with which this partnership has been carried out, and to all the Dentsu executives who have taken part in this adventure, particularly the late Mr. Narita, who was at the origin of our relationship, and Messrs. Mataka, Takashima and Ishii. I am certain that we will continue our professional relationship in a fruitful manner via specific commercial agreements and our two joint ventures: Beacon Communications and Dentsu Razorfish."

Tadashi Ishii, President & CEO of Dentsu Inc., added, "Today marks the close of a chapter in our 10-year partnership with Publicis. I would like to express my sincere gratitude to Madame Elisabeth Badinter, Chair of the Supervisory Board of Publicis Groupe, Mr.

Maurice Lévy, Chairman of the Management Board and CEO of Publicis Groupe, and all the members of the Publicis Groupe for their support during our amicable partnership over the past 10 years. I look forward to continuing our friendly relationship with Publicis as we work toward furthering the mutual growth of our clients and developing our businesses.”

#####

Contact: Shusaku Kannan  
Senior Manager  
Corporate Communications Division  
Telephone: (813) 6216-8042  
E-mail: [s.kannan@dentsu.co.jp](mailto:s.kannan@dentsu.co.jp)