

FOR IMMEDIATE RELEASE

August 28, 2015

## **Notice Regarding Partial Amendments to Terms of Stock Options (Performance-Linked Stock Options in Exchange for Consideration)**

With respect to the stock options issued on August 15, 2014, which issuance was announced on June 13, 2014 and which terms were finalized on August 12, 2014 (hereinafter the "Stock Options"), Dentsu Inc. (Tokyo: 4324; ISIN: JP3551520004; President & CEO: Tadashi Ishii; Head Office: Tokyo; Capital: 74,609.81 million yen; hereinafter "the Company") hereby announces that it resolved to amend the conditions for exercising the Stock Options at the meeting of its board of directors held today in accordance with the existing terms of the Stock Options as follows:

### **1. Reason for Amendments**

The Company voluntarily adopted the International Financial Reporting Standards (IFRS) from fiscal year 2014 (April 1, 2014 to March 31, 2015) in place of the previously used Japanese GAAP for its Consolidated Financial Report and Consolidated Financial Statements, and changed its fiscal year-end to December 31, starting from fiscal year 2015. In line with these transitions, based on the following points (1) and (2), the amendments set forth in "2. Details of Amendments" below have been made to the indicators to be referred to in determining whether or not the Company has attained certain business results with regard to the conditions for exercising the Stock Options.

(1) Fiscal year to be applied: From January to December.

(2) Financial figures to be referred to: The financial figures used in financial statements based on the international accounting standards shall be converted into figures based on the Japanese accounting standards and then applied.

With regard to the Stock Options, under the terms thereof, in the event there is a significant change in the concepts of financial figures to be referred to in determining whether or not the Company has attained certain business results with regard to the conditions for exercising the Stock Options, such as any change in the applicable accounting standards, the Company is to determine at a meeting of its board of directors to the extent deemed reasonable an

appropriate indicator to be referred to. From the standpoint of minimizing as much as possible any detriment to the benefit of both the Company's shareholders and the holders of the Stock Options, and therefore with due thought given to retaining the substance of the previous indicators as much as possible, the above-mentioned amendments were determined by the Company's board of directors in accordance with the above-mentioned terms of the Stock Options.

## 2. Details of Amendments (the underlined portions show the changes)

Before amendments	After amendments
<p>(6) Conditions for exercising stock options</p> <p>I. Stock option holders may exercise their stock options only within the period set forth in section 3. (3) above and only if the Company's business performance satisfies the criteria stipulated below, which was established based on the targets set forth in the medium-term management plan, <i>Dentsu 2017 and Beyond</i>. The decision about whether or not the Company has attained such business results stipulated above will be made referring to the consolidated statement of income described in the summary of financial statements of the Company for the accounting year set forth in (i) below. In the event there is a significant change in the concepts of financial figures to be referred to, such as any change in the applicable accounting standards, the Company will determine at a meeting of its board of directors to the extent deemed reasonable an appropriate indicator to be referred to.</p> <p>(i) The Company's business performance year to be referred to: FY2017</p>	<p>(6) Conditions for exercising stock options</p> <p>I. Stock option holders may exercise their stock options only within the period set forth in section 3. (3) above and only if the Company's business performance satisfies the criteria stipulated below, which was established based on the targets set forth in the medium-term management plan, <i>Dentsu 2017 and Beyond</i>. The decision about whether or not the Company has attained such business results stipulated above will be made referring to the consolidated statement of income described in the summary of financial statements of the Company for the accounting year set forth in (i) below <u>(provided, however, that the financial figures used in financial statements based on the international accounting standards be converted into figures based on the Japanese accounting standards and then applied)</u>. In the event there is a significant change in the concepts of financial figures to be referred to, such as any change in the applicable accounting standards, the Company will determine at a meeting of its board of directors to the extent deemed reasonable an appropriate indicator to be referred to.</p> <p>(i) The Company's business</p>

	performance year to be referred to: FY2017 ( <u>from January 1 to December 31,</u> <u>2017</u> )
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