

NEWS RELEASE

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Dentsu Announces Agreement to Acquire Creative Agency Merdeka LHS in Malaysia

Dentsu Inc. (Tokyo: 4324; ISIN: JP3551520004; President & CEO: Tadashi Ishii; Head Office: Tokyo; Capital: 74,609.81 million yen) announced today that its global business headquarters Dentsu Aegis Network Ltd. has reached an agreement with the principal shareholders of creative agency Merdeka LHS Sdn Bhd (Head Office: Kuala Lumpur; hereinafter "Merdeka LHS") to acquire the company.

Founded in 2013 by Tony Savarimuthu, Huang Ean Hwa and Lee Szu Huang, the well-known advertising trio who parted ways with a major advertising agency after more than ten years to form their own independent creative consultancy, Merdeka LHS provides a broad range of advertising and communications services including brand consulting, development of advertising strategies, and creative production. In the Malay language, "merdeka" means "independent" or "free." The agency's creativity is held in high regard by both the industry and clients, and the trio have collectively won more than 750 creative and effectiveness awards, including Malaysia's first-ever Cannes Gold Lion.

Post-acquisition, Merdeka will join forces with Dentsu Malaysia to form Dentsu LHS. The new company will become part of Dentsu Branded Agencies, one of the Dentsu Group's nine global network brands¹, and will work with other Group companies in Malaysia to accelerate the Group's growth strategies in this market.

The impact of this transaction on Dentsu's consolidated financial results for the fiscal year ending December 31, 2016 is expected to be minimal.

A profile of Merdeka LHS is provided on the following page.

¹ Dentsu Aegis Network Ltd., the Dentsu Group's global business headquarters based in London, is expanding the Group's business worldwide through nine global network brands—Carat, Dentsu (Dentsu Branded Agencies), Dentsu media, iProspect, Isobar, mcgarrybowen, MKTG, Posterscope and Vizeum—as well as through several specialist/multi-market brands.

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Profile of Merdeka LHS

Company Name:	Merdeka LHS Sdn Bhd
Location:	Kuala Lumpur, Malaysia
Year of Establishment:	2013
Shareholding Ratio*:	Dentsu Aegis Network 100%
	*After acquisition has been completed
Revenue:	Approximately MYR 1.84 million (year ended December
	2015)
Representatives:	Tony Savarimuthu (CEO)
	Huang Ean Hwa (Co-Chief Creative Officer)
	Lee Szu Huang (Co-Chief Creative Officer)
Number of Employees:	10
Line of Business:	Brand consulting, development of advertising strategies,
	creative production and other advertising and
	communications services

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