

FOR IMMEDIATE RELEASE

May 31, 2016

Dentsu Announces Acquisition by Dentsu Aegis Network of a Majority Stake in Full-Service Digital Agency Digital Republic in Egypt

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 acquired a 51% stake in full-service digital agency Digital Republic SAE (Head Office: Cairo; hereinafter “Digital Republic”).

Founded in 2009, Digital Republic is one of the largest and most awarded independent creative and full-service digital agencies in Egypt with a proven track record of developing digital advertising and social media solutions for leading brands. The agency offers a full suite of integrated creative digital services ranging from content creation, campaign strategy and planning, to digital media planning and buying, social media solutions, technology and gaming development, video production and e-commerce solutions, among others. A second operation was opened in Dubai in 2012.

With the acquisition of Digital Republic, the Dentsu Group will become the third largest agency group in Egypt, and will position itself to become the top agency group in terms of scale and capabilities through the services it provides in the digital domain.

Post-acquisition, Digital Republic will become part of digital marketing agency Isobar¹, one of the Dentsu Group's nine global network brands, and will be rebranded “Digital Republic – Linked by Isobar.” In collaboration with other Group agencies in Egypt, the newly formed company will work to further strengthen the Group's foundations and increase its presence in the growing Middle East and North Africa (MENA) market.

The impact of this transaction on Dentsu's consolidated financial results for the fiscal year

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.

ending December 31, 2016 is expected to be minimal.

Profile of Digital Republic

Company Name: Digital Republic SAE
Location: Cairo, Egypt
Office also in Dubai
Date of Establishment: September 2009
Shareholding Ratio*: Dentsu Aegis Network 51%
Digital Republic management and others 49%
*After acquisition has been completed
Revenue: GBP 1.45 million (year ended December 2015)
Representative: Karim Khalifa (Founder & Managing Director)
Number of Employees: 80
Line of Business: Digital creative, digital advertising, solutions leveraging social media and other services in the digital domain

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