

FOR IMMEDIATE RELEASE

June 7, 2016

Dentsu Announces Acquisition of Majority Stake by Dentsu Aegis Network in Performance Marketing Agency Scorch in Australia

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 leading performance marketing agency Scorch Pty Ltd (Co-Founder and CEO: Terence Hooi; Head Office: Melbourne; hereinafter “Scorch”), with an option in place that would allow expansion in steps to 100% at a later date.

Founded in 2006, Scorch is headquartered in Melbourne with offices in Sydney and Manila comprising a total of 50 staff. Mainly targeting the small to medium business sector, the company offers digital business consulting across all spheres of performance marketing including search engine optimization (SEO), web design and development, content production, social media marketing, email marketing, user experience and data analytics.

Post-acquisition, Scorch will become part of global performance marketing agency iProspect, one of the Dentsu Group's nine global network brands¹, and will be rebranded Scorch iProspect. Looking ahead, Scorch iProspect will collaborate with other Group companies to accelerate the Group's growth strategy in Australia's digital domain.

In its March 2016 worldwide advertising expenditure forecasts, the Group's media communications agency Carat announced that digital advertising expenditures in Australia grew 11.8% in 2015. Continued growth is expected, with 7.8% forecast for 2016 and 7.3% for 2017.

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 Scorch

Company Name:	Scorch Pty Ltd
Location:	Melbourne, Victoria, Australia Offices also in Sydney and Manila
Date of Establishment:	May 2006
Shareholding Ratio*:	Dentsu Aegis Network 51% Scorch management 49% *After acquisition has been completed
Revenue:	AUD 3,560,000 (year ended December 2015)
Representatives:	Terence Hooi (Co-Founder and CEO) Kevin Hooi (Co-Founder and Director)
Number of Employees:	50
Line of Business:	Full range of digital marketing services

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