

FOR IMMEDIATE RELEASE

September 16, 2016

Dentsu Announces Investment by Dentsu Aegis Network in Avid Media, a U.K. leader in content marketing and native distribution

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 made a significant investment in Avid Media Limited (CEO: Nick Brown; Head Office: London; hereinafter "Avid Media"), a leader in content marketing and native distribution in the United Kingdom, in order to strengthen its content market offering.

As a background to the investment, there is a growing client need for content that engages the audience. According to Enders Analysis, the combination of content marketing and native advertising is expected to account for 64% of all paid media via mobile worldwide in 2020. In more mature markets such as the United Kingdom, this proportion is predicted to be even higher. Moreover, since native advertisements are not impacted by ad blocking technology, they are able to continue delivering brand messages to the target audience.

Content marketing is a communication strategy that is focused on clearly identifying prospective customers, and, through the provision of relevant, appropriate information that addresses their questions and concerns, attracts and converts them into buyers. Native advertising, meanwhile, is content that matches the design, substance and form of the articles and videos among which it is placed, and, since it looks natural, does not interfere with the user's information experience.

Founded by two brothers with a wide range of experience in the digital marketing field, Avid Media has established a leading position in content marketing and native distribution in the United Kingdom, and is further developing its business in the United States and the Asia Pacific region. Its native distribution platform Spartan combines both programmatic and dynamic content feeds, automatically populating and formatting content to run in all native placements, while its content insight tool Canopy can report performance metrics from native distribution and identify content gaps within a client's existing asset portfolio.

To date, the Dentsu Group has offered similar services through its media investment platform Amplifi, and the investment in Avid Media will enable the Group to access and leverage its technology and solution assets. The solutions provided by Avid Media will complement the Group's media, creative and content capabilities, and it is expected that this combination will result in a market-leading position in each country.

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

Profile of Avid Media

| | |
|------------------------|--|
| Company Name: | Avid Media Limited |
| Location: | London, United Kingdom |
| Date of Establishment: | November 2008 (operations commenced in 2010) |
| Revenue: | GBP 1.4 million (year ended December 2015) |
| Representative: | Nick Brown (CEO) |
| Number of Employees: | 30 |
| Line of Business: | Content marketing and native distribution services |

#####

Contact: Shusaku Kannan
Corporate Communications Director
Telephone: (813) 6216-8042
E-mail: s.kannan@dentsu.co.jp