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Dentsu Updates Progress with Working Environment Reforms

Dentsu Inc. (Tokyo: 4324; ISIN: JP3551520004; President & CEO: Tadashi Ishii; Head Office: Tokyo) announces the implementation of companywide measures in Japan to improve the workplace environment. These measures broadly encompass optimizing workloads, reviewing our organizational management approach and systems, and evolving our labor culture.

Eliminating long working hours is an urgent priority. We are accordingly overhauling work content and business process in all internal operating units while improving personnel assignments. In line with this commitment, we will reassign around 650 employees, or about 10% of our workforce, to different positions in January 2017. We aim to reduce working hours, companywide in Japan, normalize individual workloads, and maintain business quality through optimized assignments.

We will appoint human resources managers (a total of around 70) in each operating division under this personnel plan. These people will acquire expertise in areas such as career development support and health, supervising the working hours of individuals as part of a comprehensive personnel management approach.

Dentsu in Japan will increase hiring of recent graduates who have work experience and greatly expand our mid-career recruiting program. While we have not imposed an upper limit on numbers, we expect to take on about 60 mid-career individuals through a recruiting initiative that will be rolled out during December. Further details will be announced on our website toward the end of this month.

We are engaging in various reforms that complement the above initiatives. We are embracing the diverse views and values of our employees in formulating these measures. Employees will participate in the reform process through 10 new internal advisory teams. These teams are comprised of employees chosen from the first through fifth year, sixth through 10th year, and 11th and subsequent years of employment with Dentsu, as well as units specializing in issues for managers, contract workers, and individuals seconded from other companies. The teams have already started presenting their suggestions and views directly to senior executives.

We have made it a top priority in rolling out reforms to ensure full understanding of labor laws and regulations through training and educational initiatives for all executives and employees.

Dentsu will do its utmost to promote positive workplace environment and will continue to share updates on new measures and ongoing developments.

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