

FOR IMMEDIATE RELEASE

December 10, 2018

Decision to Transition to a Pure Holding Company Structure through an Absorption-type Company Split

Dentsu Inc. (Headquarters: Minato-ku, Tokyo, President and CEO: Toshihiro Yamamoto, Capital: 74.609.81 million yen, hereinafter referred to as "the Company") has made various investigations since the announcement of "Commencement of Analysis of Potential Changes in Group Holding Structure" on August 9, 2018. Taking into account the results of those investigations, the Board of Directors meeting held today resolved to establish a pure holding company structure through an absorption-type company split on January 1, 2020 and begin preparations for the transition.

The implementation of this scheme is subject to approval at the Company's ordinary general meeting of shareholders scheduled to be held in late March 2019, as well as to obtaining approval from the concerned government authorities as necessary. Details shall be communicated at an appropriate time.

1. Purpose of transition to pure holding company structure

The business and the operating environment of the Company and its Group have been changing radically. Going forward the Company intends to respond appropriately and promptly to this series of changes. To achieve the sustainable growth of the Group it will continue to realize the acquisition and allocation of internal and external management resources on a timely basis from a Group-wide and global perspective and to establish a secure group governance structure that further promotes the management of richly diverse human resources and fosters an open organizational culture.

In recognizing the above, and in order to drive sustainable growth for the Group as a whole, the Company has reviewed potential changes to the Dentsu Group's governance structure to promote business transformation in Japan, as well as the continuation of momentum and further development of the overseas business headed by its headquarters, Dentsu Aegis Network (hereinafter referred to as "DAN"). Toward this end, the Company believes that an early transition to a pure holding company structure is more effective.

As a global network that contributes to the business growth of client companies the Group will continue working both domestically and overseas to improve its expertise and integration capabilities and to expand its business base, thereby accelerating the transformation towards sustainable growth.

2. Transition procedure

In transition to a pure holding company structure, the Company will adopt an absorption-type company split whereby the business operated mainly in Japan will be succeeded by a 100% subsidiary (hereinafter referred to as "Preparatory Company"). After the company split, the Company will hold the shares of DAN and other subsidiaries including the post-split operating company as a pure holding company and will remain listed on the Tokyo Stock Exchange.

3. Schedule going forward

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|---------------------|---|
| January 2019 | Establishment of Preparatory Company |
| Early February 2019 | Signing of absorption-type company split agreement |
| Late March 2019 | Approval of related agenda at ordinary general meeting of shareholders |
| January 1, 2020 | Effective date of transition to a pure holding company structure through an absorption-type company split |

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