

FOR IMMEDIATE RELEASE

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Dentsu Announces Merkle Acquisition of Filter, a Digital Marketing Services Agency in the U.S.

Dentsu Inc. (Tokyo: 4324; ISIN: JP3551520004; President & CEO: Toshihiro Yamamoto; Head Office: Tokyo; Capital: 74,609.81 million yen) announced today that Merkle, one of the global network brands within its global business headquarters Dentsu Aegis Network Ltd.*, has reached an agreement to acquire a 100% stake in Filter, LLC (Head Office: Seattle; CEO: Joe Melanson; hereinafter Filter), a digital marketing services agency.

As more and more brands are moving away from the agency model and deciding to bring these functions in house, Filter offers outsourced solutions to companies that are seeking alternatives to traditional agencies. Founded in 1991 and headquartered in Seattle, Filter currently has 287 employees, many of whom provide clients with embedded teams, comprise onsite agencies and outsource solutions that include user experience, virtual reality research and visualization, digital marketing and visual design to its clients in the Seattle, Portland, San Francisco and Pittsburgh markets.

The acquisition of Filter is aligned with Merkle's strategic direction. Moreover, the contribution of Filter's business will create scale and new capabilities for the Dentsu Group as well as add onsite and hybrid-agency staffing model options to the Group's current service offerings in the U.S. market.

The impact of this transaction on Dentsu's consolidated financial results for the fiscal year ending December 31, 2019 is expected to be minimal.

*Dentsu Aegis Network Ltd., the Dentsu Group's global business headquarters based in London, is expanding the Group's business worldwide through ten global network brands—Carat, Dentsu (Dentsu Brand Agencies), dentsu X, iProspect, Isobar, mcgarrybowen, Merkle, MKTG, Posterscope and Vizeum—as well as through several specialist/multi-market brands.

Profile of Filter

Company Name: Filter, LLC
Location: Seattle, Washington
Date of Establishment: 1991
Shareholding Ratio*: Dentsu Aegis Network 100%
*After acquisition has been completed
Revenue: USD 28.56 million (year ended December 2017)
Key Management Personnel: Joe Melanson (CEO)
Number of Employees: 287
Line of Business: Digital Marketing Services

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