

FOR IMMEDIATE RELEASE

August 28, 2019

Dentsu Announces Recording of Extraordinary Income on a Non-consolidated Basis Associated with a Partial Sale of Shares Held in Recruit Holdings

Dentsu Inc. (Tokyo: 4324; ISIN: JP3551520004; President & CEO: Toshihiro Yamamoto; Head Office: Tokyo; Capital: 74,609.81 million yen; hereinafter "Dentsu" or "the Company") announced today that it has decided to sell a portion of the shares in Recruit Holdings Co., Ltd. (First Section of the Tokyo Stock Exchange, Code Number 6098; hereinafter "Recruit Holdings") through a secondary offering of the shares. For further details of the secondary offering, please refer to the announcement "Notification regarding Secondary Offering of Shares" made by Recruit Holdings today.

1. About the partial sale of shares held in Recruit Holdings

Dentsu currently holds 63 million shares in Recruit Holdings and Dentsu has decided to sell 9.45 million of these shares through this secondary offering of the shares.

With regard to the remaining shares of Recruit Holdings that Dentsu will continue to hold, the Company has agreed with the joint global coordinators of this secondary offering that, in principle, no share disposal of any kind shall be performed without the prior written consent of the joint global coordinators during the period starting from the date on which the offer price of the shares is determined (on certain date between September 10, 2019 and September 12, 2019) (hereinafter the "Offering Price Determination Date") and ending on the date that is 180th day from and including the date of delivery of the shares (such date will be the fifth business day following the Offering Price Determination Date) (lock-up period).

2. Recording of extraordinary income on a non-consolidated basis

Dentsu expects to record a gain on sale of investment securities associated with the secondary offering in the amount of approximately 28 billion yen (estimated approximate amount based on the assumption that the sale price is 3,307 yen

(closing price of common shares of Recruit Holdings as of August 27, 2019)) as extraordinary income in its non-consolidated financial results for the fiscal year ending on December 31, 2019.

3. Impact on earnings forecasts

With regard to the impact on the non-consolidated earnings forecast for the fiscal year ending on December 31, 2019, which was announced on August 7, 2019, an announcement will be made promptly when the offer price of the shares is determined.

On a consolidated basis, the gain on sale of investment securities associated with the sale of Recruit Holdings shares will be accounted for as comprehensive income on the consolidated balance sheet, and will therefore not have any impact on the consolidated earnings forecast for the fiscal year ending on December 31, 2019, which was announced on August 7, 2019.

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