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NEWS RELEASE

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FOR IMMEDIATE RELEASE
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Dentsu Announces Agreement to Acquire Majority Stake in the Grant Group in Sri Lanka, and Establishes Dentsu Aegis Network Base in the Country

Dentsu Inc. (Tokyo: 4324; ISIN: JP3551520004; President & CEO: Toshihiro Yamamoto; Head Office: Tokyo; Capital: 74,609.81 million yen) announced today that its global business headquarters Dentsu Aegis Network Ltd. has reached an agreement with the principal shareholders of the Grant Group (Head Office: Colombo; Chairperson & Managing Director: Neela Marikkar), to acquire a majority stake in the Grant Group, a prominent and long-established advertising group in Sri Lanka.
Under this agreement, Dentsu Aegis Network will acquire 85% of the shares in the Grant Advertising Group and 70% of the shares in Grant Agencies, both of which are members of the Grant Group. Dentsu Aegis Network will also retain the option to convert these companies to wholly owned subsidiaries at a later date.

Founded in 1958, the Grant Group has the longest history in Sri Lanka's advertising industry, and is the country's largest independent creative agency. As one of the largest agency groups, the company represents over 60 international and local clients, including some of some of Sri Lanka's largest and most prestigious marketers.

The Grant Group comprises two groups—the Grant Advertising Group and Grant Agencies—providing advertising and media services (mass media and OOH), creative, PR, content, digital and other services under seven brands and employing a total of 150 people. The group's seven brands have an established reputation for creative expertise. Those brands have garnered multiple advertising awards, from Agency of the Year awards to Response Marketing as the most effective independent agency at the Effie Asia Pacific Awards.

Sri Lanka has experienced high levels of ongoing economic growth since its civil war ended in 2009, and the country is regarded as an emerging advertising market with promise. The acquisition of the Grant Group will enable Dentsu Aegis Network to secure a strategic base from which to expand business in the South Asian Market.
Following the acquisition, the two companies within the Grant Advertising Group will be rebranded. Grant Advertising will be renamed Dentsu Grant, and Grant Media will join Carat, one of our Group's global network brands. By fostering close ties among its Group companies,

the Dentsu Group expects to accelerate its growth strategy in Sri Lanka and the larger South Asia market.

The impact of this transaction on Dentsu's consolidated financial results for the fiscal year ending December 31, 2017 is expected to be minimal.

Profile of Grant Group

Company Name:	Grant Advertising (Pvt) Ltd, Grant Agencies (Pvt) Ltd
Location:	Colombo Sri Lanka
Date of Establishment:	April 1958
Shareholding Ratio*:	Dentsu Aegis Network 85% of the Grant Advertising Group 70% of Grant Agencies *After acquisition has been completed
Revenue:	LKR 284.32 million (year ended December 31, 2015)
Representatives:	Neela Marikkar (Chairperson & Managing Director)
Number of Employees:	150
Line of Business:	Provision of services across the advertising communications domain

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