

May 14, 2021

## **Dentsu Japan Network Collaborates with Dream Incubator Inc. to Strengthen Business in the Business Transformation (BX) Domain**

–Dentsu Group Inc. and Dream Incubator Inc.  
Form a Capital and Business Alliance–

Dentsu Japan Network (President & CEO: Hiroshi Igarashi; Head Office: Tokyo; hereinafter “DJN”<sup>\*1</sup>), which oversees and manages the Dentsu Group’s business in Japan, announced today that it will strengthen its capabilities in the business transformation (BX) domain through a capital and business alliance between Dentsu Group Inc. (President & CEO: Toshihiro Yamamoto; Head Office: Tokyo) and Dream Incubator Inc. (CEO: Tetsuro Harada; Head Office: Tokyo; hereinafter “Dream Incubator”). Dream Incubator will become an equity-method affiliate of Dentsu Group Inc. After the stock acquisition of 19.49% based on the capital and business alliance dated May 14, 2021, Dentsu Group Inc. will make additional purchases in Dream Incubator, expected to exceed 20% in early June 2021.

The collaboration will enhance business creation and development opportunities for our clients by combining expertise in strategy planning and execution.

DJN is committed to the sustainable growth of its clients and society. With the aim of evolving into an Integrated Growth Partner, it is working to strengthen its competitiveness in four business domains (AX, BX, CX and DX) <sup>\*2</sup> in order to promote its “change in business formation” strategy. Client demand for solutions that develop and transform their businesses in order to achieve sustainable growth is rapidly expanding in line with the swift changes in the social and business environments in recent years. DJN defines this area as the Business Transformation (BX) business domain, and is working on the expansion of solutions focused on strategy planning and execution. DJN already has competitive strengths and a number of results in the areas such as development of visions, creation of business strategies, and transformation of organizations and personnel systems.

Dream Incubator, meanwhile, which is known as “The Business Producing Company,” continues to create businesses that change society. It continues to grow due to its deep strengths in strategic consulting, business creation and innovation support.

The collaboration of DJN and Dream Incubator will enable us to provide end to end solutions covering business strategy planning through to execution support in order to address the issues faced by client companies in the BX domain. The alliance strengthens DJN’s strategy-building and analytical capabilities and for Dream Incubator, bring access to DJN’s execution measures (such as system development and introduction, the design and implementation of marketing measures, with connections to already existing businesses).

The mission of both companies is to contribute to the business creation and top-line growth of client companies, and they aim to create new value that can be provided by making the best use of their affinity and their mutual strengths and characteristics.

Integrated Growth Solutions are at the core of the Dentsu Group's business strategy, and in order to provide client companies with solutions of the highest quality and with the most efficient value chain, DJN will promote the transformation and strengthening of the four business domains. Going forward, it will also contribute to the achievement of the Dentsu Group's medium-term management plan which has FY2024 as its final year, and further improve corporate value.

**Profile of Dream Incubator Inc.**

Company name	Dream Incubator Inc. <a href="https://www.dreamincubator.co.jp/en/">https://www.dreamincubator.co.jp/en/</a>
Stock listing	First Section of the Tokyo Stock Exchange Securities code: 4310
Shareholder composition	Dentsu Group Inc.: 19.49% of Dream Incubator Inc.'s voting rights on May 14 (scheduled). Its composition is expected to exceed 20% due to additional purchases in early June 2021.
Representative	Tetsuro Harada, CEO
Location	4F, Tokyo Club Building, 3-2-6 Kasumigaseki, Chiyoda-ku, Tokyo
Date of establishment	June 1, 2000
Capital	4,978 million yen
Revenue	22,595 million yen (consolidated sales for the fiscal year ended March 2020)
Number of employees	665 (Number of consolidated officers and employees as of the end of September 2020)
Line of business	The fusing of strategic consulting skills, which are the most universal, valuable, and fundamental skills in the business sphere, with the "real" and "participant" managerial abilities cultivated through incubation initiatives, and to use these skills to not only develop services for client companies but also include them in "business producing" to change the way society should be and vitalize the Japanese economy.

\*1 Dentsu Japan Network (DJN) is an in-house company within Dentsu Group Inc. It also refers to the network itself which consists of approximately 130 Dentsu Group companies in Japan.

URL <https://www.japan.dentsu.com/en/>

\*2 AX (Advertising Transformation) domain:

Domain to maximize the sophistication and efficiency of advertising

BX (Business Transformation) domain:

Domain to support the business transformation of client companies

CX (Customer Experience Transformation) domain:

Domain to design and deliver the optimum customer experience

DX (Digital Transformation) domain:

Domain to facilitate transformation of the marketing infrastructure

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