

January 26, 2022

Dentsu Tec, a Subsidiary of Dentsu Japan Network, Reorganizes Its Group to Strengthen Its Sales Promotion Solutions Business

Dentsu Tec Inc., a subsidiary of Dentsu Japan Network (President & CEO: Norihiro Kuretani; Head Office: Tokyo, hereinafter referred to as "DJN") which oversees and supports the Dentsu Group's business in Japan, is aiming to strengthen its sales promotion solutions business. To this end, on April 1, 2022, the company name will be changed to DENTSU PROMOTION PLUS INC. and, at the same time, two Dentsu Tec Group companies will be merged to form DENTSU PROMOTION EXE INC. (the company name change and establishment of the new company will hereinafter be referred to as "this reorganization"). Dentsu Promotion Plus and Dentsu Promotion Exe will continue to be wholly owned subsidiaries of Dentsu Group Inc.

DJN which consists of around 130 companies and is responsible for the Dentsu Group's business in Japan, aims to evolve into an Integrated Growth Partner that is committed to the sustainable growth of client companies and society. It is increasing the value created by its four business domains (AX, BX, CX, and DX) ^{*1}, and strengthening its competitiveness as a whole while maximizing the power of individual DJN companies. This reorganization aims to strengthen the CX (Customer Experience Transformation) and DX (Digital Transformation) domains.

Behind this reorganization is the rapid growth of DX in stores and other retail markets as well as in the commerce and CRM domains due to rapid changes in the social environment. As a result, there has been a progression in the digital shift of marketing by client companies, including the sophistication of owned media that connects consumers and client companies, and an increasing need for sales promotion solutions that use digital contacts as the gateway. The Dentsu Tec Group sees these changes in needs as opportunities for business growth, and will build a system that contributes to strengthening its expertise and service development capabilities.

Going forward, Dentsu Promotion Plus aims to strengthen services in areas of rapid change such as retail and commerce, and evolve into a company that provides high value-added solution services to customers in the sales promotion field. In addition, through integrating the capabilities of DENTSU CUSTOMER ACCESS CENTER INC. and DENTSU ON-DEMAND GRAPHIC INC., which range from digital production to customer services, the new company Dentsu Promotion Exe aims to evolve into an execution company with more specialized

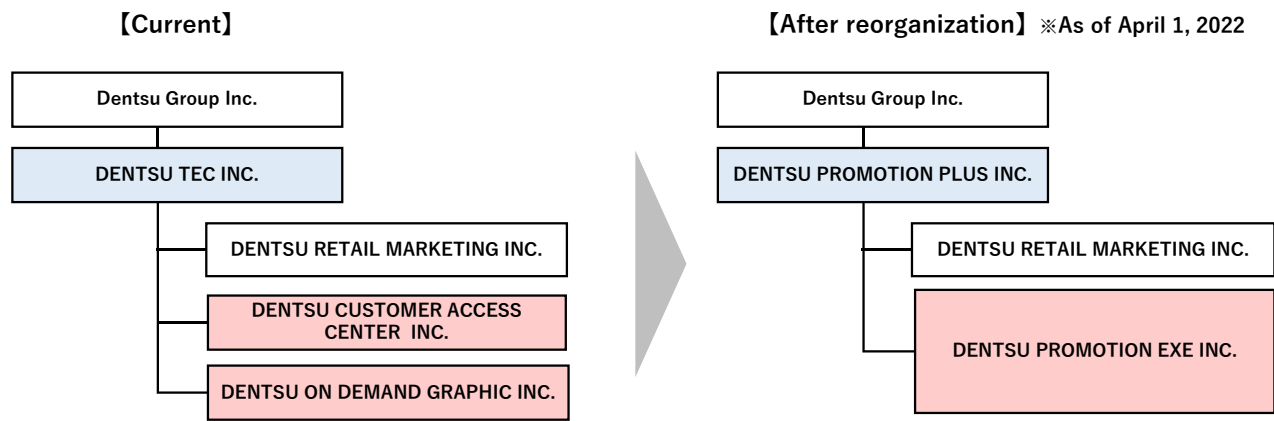
expertise.

Through this reorganization, the Dentsu Tec Group aims to become the No. 1 partner in the field of sales promotion solutions for client companies. In addition, DJN will strengthen its four business domains by maximizing synergies between the Dentsu Tec Group and each DJN company, and play a part in achieving the Dentsu Group’s Medium-term Management Plan which has FY2024 as its final year as well as further improving the corporate value of the Dentsu Group.

dentsu promotion plus

dentsu promotion exe

< Organization chart (Japan) >



Profile of DENTSU PROMOTION PLUS INC. (renamed from DENTSU TEC INC.)

Company name:	DENTSU PROMOTION PLUS INC.
Location:	1-5-3, Uchisaiwai-cho, Chiyoda-ku, Tokyo
Capital:	One billion yen
Shareholder composition:	Dentsu Group Inc. 100%
Representative*:	Masaaki Yukawa (current position: Managing Executive Officer, Dentsu Tec) *Scheduled to be selected and appointed by the Board of Directors at the General Meeting of Shareholders of Dentsu Tec in late March 2022
Date of establishment:	January 4, 2017 (scheduled to start operations on April 1, 2022)
Number of employees:	Approximately 920 (planned)
Branch offices:	Kansai branch office, Chubu branch office
Consolidated subsidiaries (Japan):	Dentsu Retail Marketing Inc., Dentsu Promotion Exe Inc.
Line of business:	Provision of high value-added services from proposals to the implementation and operational support of integrated sales promotion solutions, such as sales promotion DX support in the growing retail area, and operational support for digital measures with commerce and owned media as starting points

Profile of Dentsu PROMOTION EXE INC. (new company formed by the merger of two companies)

Company name:	DENTSU PROMOTION EXE INC.
Location:	1-5-3, Uchisaiwai-cho, Chiyoda-ku, Tokyo
Capital*:	100 million yen *To be resolved at the General Meeting of Shareholders of Dentsu Customer Access Center Inc. in late March 2022
Shareholder composition:	Dentsu Promotion Plus Inc. 100%
Representative*:	Katsunori Iwafune (current position: Managing Executive Officer, Dentsu Tec) *Scheduled to be selected and appointed by the Board of Directors at the General Meeting of Shareholders of Dentsu Customer Access Center Inc. in late March 2022
Date of establishment*:	July 2, 2007 (scheduled to start operations on April 1, 2022) *Date of establishment of the surviving company (Dentsu Customer Access Center Inc.)
Number of employees:	Approximately 310 (planned)
Branch offices / offices:	Kansai branch office, Miyazaki Digital Design Lab, Kobe Digital Design Lab* *scheduled to open on April 1, 2022
Line of business:	Provision of production operation services and customer services to meet the demands of speed, quality, and cost

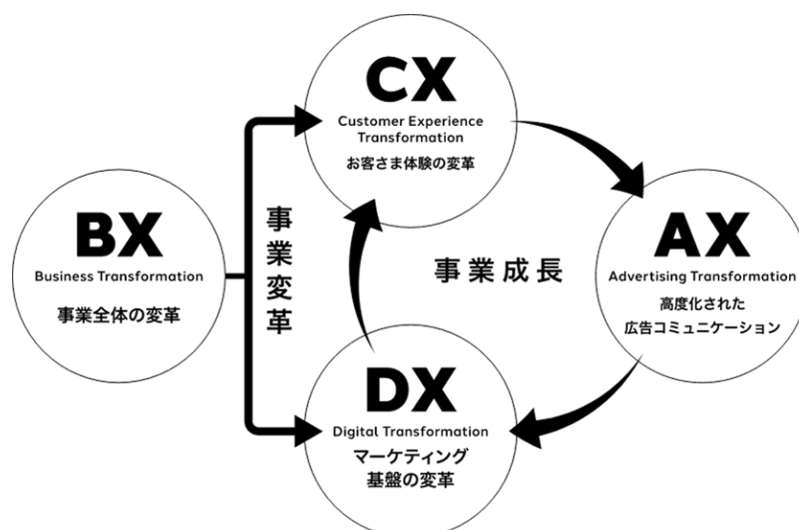
*1Dentsu Japan Network (DJN)'s four new business domains (AX, BX, CX, and DX)

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



dentsu japan network

In order to enhance the value created by these four business domains and to bolster its competitiveness by maximizing the strength of individual companies, DJN has already implemented or will implement various measures to optimize the functions of the DJN companies that make up the Dentsu Group's business in Japan. These measures include grouping the companies from the perspective of specialized areas and synergies, and the establishment of a virtual organization.

Please refer to this site for the specific service menu of each domain.

<https://www.japan.dentsu.com/en/servicemenu.html>

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