

Overview of the Dentsu Group

As the driving force in Japan's advertising industry, the Dentsu Group maintains long-term business relationships with a variety of customers that include leading corporations in Japan and overseas. We have also established distinctive services in overseas markets and built a solid network covering Japan, Americas, EMEA and APAC. Our operations are led by Dentsu in Japan and Dentsu Aegis Network internationally.

Operating Area



Over **145** countries and regions around the world

Finance

Revenue less Cost of Sales



9,326 billion
January to December 2018

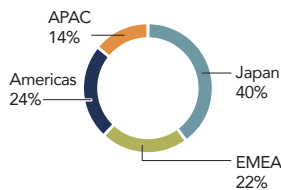
International Business Ratio



60.4%

January to December 2018

Share of Profit by Region



Digital Domain Ratio



in Japan **23.9%** (1.7pt ↑)
international **60.6%** (2.7pt ↑)

Japan Business

dentsu

DENTSU DIGITAL

dentsu
DENTSU TEC INC.

DENTSU LIVE
MOMENT OF TRUTH

iSiD
IT Solution Innovator

International Business

CARAT dentsu x Vizeum dentsu

mcgarrybowen iProspect.® **isobar**

Posterscope **MERKLE** **MKTG**

Market



Position

Share of the Japanese Advertising Market

No. **1** Share
28.8%

Calculated by comparing sales by business category in Dentsu's Japan business to nationwide advertising expenditures in 2019

Ranking of Advertising Holding Company Groups

Top **5** Worldwide

Source: Advertising Age, April 29, 2019

Award

Number of international awards for advertising

171

Number of awards for advertising during the last year (As of June 10, 2019)

Number of Employees (consolidated)

As of December 31, 2018



62,608



Male Female



32,443 30,165
51.8% 48.2%

EMEA

17,814



Male Female

8,096 9,718
45.4% 54.6%

APAC

13,758



Male Female

6,195 7,563
45.0% 55.0%

Americas

12,497



Male Female

5,733 6,764
45.9% 54.1%

Japan

18,539



Male Female

12,419 6,120
67.0% 33.0%

Sustainability



Non-finance

Reduction Rate of CO₂ Emission



18.6%

Year-to-year comparison basis, scope 1+2+3

Number of companies participating in CSR Procurement Survey



750 Companies

As of the end of December, 2018

SDGs-related Action

DentsuTeam SDGs



Common Ground



Dentsu Diversity LAB

DENTSU Diversity LAB

Global Compact Network Japan



Assessment from Outside Institutions



2018 Constituent MSCI Japan Empowering Women Index (WIN)



History

Dentsu Group's Growth Story

One hundred and nineteen years after its founding, Dentsu has transformed itself from a telecommunications company to an advertising company and an integrated communications company. Dentsu aims to become "the best partner in realizing the business transformation of our customers." The images below show the progress of the Group, which will become One Dentsu under the new structure in 2020, together with its other milestones

- 1901**
Hoshiro Mitsunaga established Japan Advertising Ltd. and Telegraphic Service (currently know as Dentsu).
- 1951**
Commercial radio broadcasting begins: Establishment of Radio Division at the Head Office.
- 1953**
Commercial Television Broadcasting begins. Establishing Radio and Television Division at the Head Office and Osaka Office.
- 1955**
The corporate name is changed to Dentsu Inc.
- 1959**
Establishing Marketing Department. Promote the introduction of marketing. Opening a New York office.
- 1964**
Contributing to the support of the Tokyo Olympic Games.
- 1970**
Contributing to the support of the Osaka Expo '70.

- 1974**
The US-based magazine Advertising Age ranks Dentsu the No.1 advertising agency worldwide in terms of billings (calendar 1973).
- 1984**
Contributing to the support of the Los Angeles Olympic Games. Established DYR, an international service network jointly with US-based Young & Rubicam.
- 1989**
Net sales exceed one trillion yen in the fiscal year ending March 1989.
- 1996**
Contributing to the establishment of cyber communications inc.(cci), Japan's first Internet advertising agency.
- 1998**
Contributing to the support of the Nagano Winter Olympic Games.
- 2000**
Establishing the Bcom 3 Group with the US-based firms Leo Group and the McManas Group.



○ 1901

With the astonishing development of the mass media due to the rapid economic growth in Japan after 1950's, it occupies an overwhelming share of the initial TV advertising market.



Street TV audience



TVCM No. 1, "Seikosha noon time tone" (1953)

○ 1974

In an era in which corporate communication needs include sports, cultural activities, and mecenat activities, from advertising company to an integrated communication company.



New symbol on the entrance to the Tsukiji head office building (1986)



Opening ceremony of the Nagano Olympic Games (1998)



- 1960'**
Foundation of a media agency Centrale d'achats Radio, Affichage, Télévision (Carat) in France.

- 1979**
WCRS Group was formed as an advertising agency.
- 1984**
WCRS Group acquired Carat.
- 1989**
Foundation of Aegis as a separate company based on the original WCRS media buying division.
- 1990**
The name of the company was officially changed from WCRS to Aegis Media.

2001

Listing its shares on the First Section of the Tokyo Stock Exchange.
Commemorating the 100th anniversary.

2002

Contributing to the support of the 2002 FIFA World Cup Korea/Japan.TM
The Bcom3 Group merges with the French company Publicis Groupe S.A. and Dentsu acquires capital in Publicis Groupe S.A.

2007

Commencing construction of Dentsu Network West (DNW).
Dentsu's consolidated net sales reach two trillion yen in the fiscal year ending Mar 2007.

2008

Dentsu Holdings USA acquires U.S.-based mcgarrybowen, LLC.
Expanding DNW to Dentsu Network.

2012

Reaching an agreement with Publicis Groupe to terminate strategic alliance agreements and other agreements and sell shares of Publicis Groupe S.A.

2013

Acquiring Aegis Group plc., a UK-based advertising firm.
Dentsu Group Medium-Term Management Plan "Dentsu 2017 and Beyond" was announced.
Procurement of funds through public offering of new shares, etc.

2014

The Organizing Committee of the Tokyo Olympic and Paralympic Games appointed Dentsu as marketing agency.

2016

Transiting from a Company with an Audit & Supervisory Board to a Company with Audit & Supervisory Committee.
Establishing Dentsu Digital.
Initiated the labor environment reform in Japan.

2017

Toshihiro Yamamoto is appointed as the 13th president.

2018

Dentsu Group Medium-Term Direction is announced.

2019

Announcement to transition to a pure holding company structure.

○ 2001

Globalization of the global advertising industry and continuing rapid changes focus on expanding international businesses and promoting globalization.



Listed on the First Section of Tokyo Stock Exchange (2002)

○ 2013

As the digital domain continues to expand globally Building an international Network and Changing the Group's Business Driving Innovation into a new sustainable growth phase.



FIFA World Cup Korea JapanTM (2002)



Meeting in Dentsu Aegis London (2013)



The Tokyo Olympic and Paralympic Games (2020)

One Dentsu

2003

Formation of Isobar, the world's first global digital network.

2008

Aegis Media adopts a six point strategy to address convergence and globalization.

2009

Aegis Media launched a unique operating model, One P&L.

2013

Creation of Dentsu Aegis Network.
Creation of Amplifi, the media investment arm of Aegis.

2016

Acquisition of a majority stake in Merkle, a leading independent data-driven technology enabled performance marketing agency in the USA.
Dentsu Aegis Network digital revenues reach over 50%.

2019

Tim Andree appointed as CEO of Dentsu Aegis Network in addition to his role as Executive Chairman of Dentsu Aegis Network.