

NEWS RELEASE**FOR IMMEDIATE RELEASE****July 1, 2003**

President Mataki Addresses Dentsu Employees at the 102nd Anniversary Ceremony Commemorating the Company's Foundation

Dentsu Inc. (President: Tateo Mataki; Head Office: Tokyo; Capital: 58,967.1 million yen), held a ceremony commemorating the 102nd anniversary of the Company's foundation at 9:50 a.m. on July 1, 2003, at its Tokyo Head Office and at its Kansai and Chubu branch offices.

The Tokyo Head Office ceremony took place in the first floor auditorium of the Shiodome Head Office Building, where President Mataki delivered a speech on general policy.

Following are highlights of the speech.

A Time of Reform and Evolution

“The ‘Big Bang’ reforms in the advertising communications industry are rapidly picking up speed, and the future of each employee of the Dentsu Group depends on our ability to increase the pace of our own changes and reforms.

“One year ago, when I became president of this company, I announced that it was my mission to achieve a complete structural reform of the Dentsu Group on a scale that was historically unprecedented. I also shared with you a new corporate vision of Dentsu as a true ‘partner in creating new value.’ We have been working at a feverish pace both to instill a change in perception among our staff and to carry out the structural reforms needed to reorganize the overall management of the Dentsu Group. With regard to this change in perception, we have promoted a new performance standard—every single employee must be actively involved in promoting the Company's business—and we are already beginning to see results as this spirit takes root among our employees. With regard to our structural reforms, we are steadily increasing the pace of progress toward the goals set out in our ‘Plan for New Growth: The 4•2•2 Strategy.’”

The Three Principles of Management Reform

“We announced earlier that this fiscal year would be Year 1 of a new era, an era in which we would shed old habits and focus on creating new value. This year we are laying a solid foundation for a new Dentsu Group, and support for this foundation is provided by the management reforms that are presently underway. These management reforms are based on three mutually sustaining principles.

“The first of these principles is ‘building an organization that creates new value.’ Our aim is to establish an organizational system that is simple, responsive and optimized for the creation of new value.

“The second principle is ‘creating an environment that supports the creation of new value.’ This involves the establishment of a flexible but functional information infrastructure that will link the entire Dentsu Group together.

“The third principle is ‘developing human resources that can create new value.’ In order to build a strong Dentsu Group, management and employees will need to consult closely about how best to attract, train and reward the kind of Dentsu employees who will be able to contribute to the creation of new value, and we must be prepared to steadily introduce concrete measures to accomplish this goal.”

Role of the Dentsu Group in Promoting the Prosperity of Society

“The Dentsu Group is an active participant of society contributing to the flow of the overall economy and acting as an engine of energy and vitality. As we create and communicate new value for both our clients and society as a whole, we stimulate new demand. In the process, we hope to give rise to exciting movements that stir the imagination and bring joy to people’s lives. As a company, we must be prepared to continue to make reforms and face challenges, never forgetting that the success of our Company is closely tied to the prosperity of society.”

To My Fellow Colleagues

“Our clients, the media and our society expect the Dentsu Group to play an important role in the world. Now is the time for each employee of the Group to take to heart our performance standard: every single employee must be actively involved in promoting the

Company's business. It is also time for you all to become creators of new business and new markets. I am looking forward to the results of your efforts.

“In the past, it was often said that Dentsu was like a collection of private entities. I would like to express this spirit in a new way by saying that ‘every employee is an entrepreneur.’ As entrepreneurs, we all need to have a clear sense of personal ethics, a law-abiding spirit and a willingness to take responsibility for achieving results. Within this framework, I encourage you to approach your work with a free spirit, accept your challenges boldly, and infuse your workplaces with vitality. You may be assured that we will be unstinting in our support of your efforts.

“Energy, courage and an entrepreneurial spirit among all our employees will be needed if the Dentsu Group is to shed its skin, evolve and grow into something new. Now is the time for us all to bind our hearts together, looking forward to the victory that awaits us when the three principles of our management reforms, ‘building the organization,’ ‘creating the environment’ and ‘developing human resources’ have been completed and raised up. Then, when each employee is an active promoter of the Company's business, and each employee is an entrepreneur, new and exciting vistas of activity will open before all of us.

“Ten years from now, when we look back on what the Dentsu Group is trying to accomplish today, we will see that we were in the midst of a struggle to build an entirely new enterprise in the face of a new age of competition. Looking to the future, I am confident that the Dentsu Group we see ahead of us will continue to evolve, becoming ever stronger, more attractive, and more alive with energy and vitality.”

Contact: Takafumi Hotta
Senior Manager
Corporate Communications Division
Telephone: (813) 6216-8042
E-mail: t.hotta@dentsu.co.jp

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