

NEWS RELEASE**FOR IMMEDIATE RELEASE****June 29, 2004**

Dentsu's In-House R&D Headquarters, Dentsu Communication Institute, to Become an Independent Subsidiary

Dentsu Inc. (President: Tateo Mataki; Head Office: Tokyo; Capital: 58,967.1 million yen) announced today that on July 1, 2004 its in-house R&D Headquarters, Dentsu Communication Institute, formerly known as the Dentsu Institute for Human Studies, would become an independent subsidiary. The new company will be called Dentsu Communication Institute Inc.

Until now, the Dentsu Communication Institute assisted the management of Dentsu and the Dentsu Group primarily by conducting research on industrial, economic, consumer, and media trends. In addition to these research activities, the new subsidiary will be responsible for human resource development and training at Dentsu and its Group companies. The decision to make the former in-house institute a separate subsidiary was taken to ensure its ability to act independently within the Group.

Through its research activities covering all aspects of the field of communications, the Dentsu Communication Institute will create new corporate value and new human resource value for Dentsu and its Group companies, and contribute to the collective strength of the Dentsu Group. Specifically, its activities will include consulting and advising Dentsu and its Group companies regarding business strategy, and forecasting changes in the business strategies of corporate advertisers, as well as changes in consumer attitudes and behavior, to anticipate future trends in the advertising business. Moreover, to comprehensively integrate all of Dentsu and the Dentsu Group's human resource development and training programs, the Dentsu Communication Institute is planning to set up a new Dentsu Knowledge Institute within its organization, which will be responsible for (1) researching strategies for training individuals capable of anticipating future challenges, (2) training the next generation of employees for Dentsu and the Dentsu Group, and (3) developing educational and training programs.

Profile of Dentsu Communication Institute Inc.

Company Name: Dentsu Communication Institute Inc.
Paid-in Capital: 450 million yen
Location: Dentsu Head Office Building
1-8-1, Higashi-shimbashi, Minato-ku, Tokyo
Chairman: Yutaka Narita (Principal Advisor & Chairman of the Dentsu Group)
Vice-Chairman: Toshiaki Nozue (Dentsu Executive Advisor)
President: Osamu Fujiwara (Dentsu Executive Officer)
Number of Employees: Approx. 40

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