

NEWS RELEASE**FOR IMMEDIATE RELEASE****July 25, 2005**

Dentsu and RECRUIT to Establish Media Shakers Inc., a Joint Venture Specializing in Cross-Media Promotion

Dentsu Inc. (President: Tateo Mataka; Head Office: Tokyo; Capital: 58,967.1 million yen), and RECRUIT CO., LTD. (President & CEO: Hitoshi Kashiwaki; Head Office: Tokyo; Capital: 3,002.6 million yen), announced today that they had agreed to establish a new joint venture, Media Shakers Inc., to specialize in cross-media promotions (see Note 1). The new company will be established in September 2005, and will begin operations on Monday, October 3, 2005.

As both media and consumer lifestyles become more diverse—particularly through the impact of mobile phones and the Internet—consumer-related markets are also undergoing a period of rapid change. Such changes mean that traditional marketing and communication methods are losing their effectiveness for reaching consumers, and this situation has become a critical issue for many advertisers. In the crucial M1 (males, 20 to 34 years old) and F1 (females, 20 to 34 years old) target consumer segments, the trend toward diversification of media exposure and lifestyles is clearly evident.

To provide advertisers with solutions to these issues, Media Shakers will combine the Dentsu Group's superior capabilities in consumer marketing and media content planning and execution with RECRUIT's substantial resources in media production, encompassing a broad array of lifestyle stages and purchasing trends. In addition to developing new consumer contact points for products and brands, and new marketing techniques, the company will conduct cross-media promotion development and sales comprising the optimal mix of media contact points and marketing techniques. These programs will focus particularly on stimulating consumer interest and purchasing motivation among the M1 and F1 segments.

Media Shakers will have four main business areas:

- (1) Media representative business comprising a variety of free magazines (see Note 2) and free web sites (see Note 3) published or operated by RECRUIT.
- (2) Development of ad spaces and consumer contact points targeting certain consumer segments, especially M1 and F1.
- (3) Development and sales of cross-media promotions comprising the optimal mix of media

and marketing techniques from (1) and (2) above.

- (4) Collaboration with media companies other than RECRUIT, including providers of blog format, social network services and mobile content.

Furthermore, Media Shakers plans to develop new marketing techniques utilizing FeliCa contactless IC card technology, and to cultivate new media opportunities in association with GMS (General Merchandizing Stores), convenience stores and railway companies. It will also work in conjunction with such media as newspaper publishers, book and magazine publishers and broadcasting companies to execute cross-media promotions involving a large number of different media.

Note 1

Cross-media promotion is a communication technique based on the design and execution of an optimal mix of advertising (mass media, free magazines, Internet, mobile devices), PR, word-of-mouth, sales promotion and other marketing communications for a particular set of target consumer attributes. In recent years, as mobile devices have gained an ever-expanding level of functionality, cross-media promotion focused on mobile media has received considerable attention.

Note 2

R25 is a free magazine targeting businessmen in the M1 segment. RECRUIT also publishes a free coupon magazine, *Hot Pepper*, targeting the F1 segment. Dentsu holds the exclusive sales rights for advertising in *R25* and the new company will handle the advertising for national clients in *Hot Pepper*.

Note 3

Such web sites include “*R25 Mobile*” (URL: <http://r25.jp>), which targets the M1 segment and was launched in July 2005, and “*Doko Iku?*” (URL: <http://doko.jp>), a search site for mobile devices targeting the F1 segment. This site, specializing in shop and restaurant searches by subway or railway station in the Tokyo region, was launched in July 2005.

Profile of the New Company

- (1) Company Name: Media Shakers Inc.
- (2) Capital: 300 million yen
- (3) Location of Head Office: Minato-ku, Tokyo (tentative)
- (4) Shareholding Ratio: Dentsu 60%, RECRUIT 40%
- (5) Date of Establishment: September 2005
- (6) Directors: President: Yoshihiko Kasamatsu (presently Senior Manager of the Media Marketing Division at Dentsu)
- (7) Number of Employees: 20 (tentative)
- (8) Expected Billings: 10 billion yen (fiscal year ending March 31, 2008)

Profile of Dentsu Inc.

- (1) Company Name: Dentsu Inc.
- (2) President & CEO: Tateo Mataka
- (3) Location: 1-8-1, Higashi-shimbashi, Minato-ku, Tokyo
- (4) Capital: 58,967.1 million yen
- (5) Net Sales: 1,531,939 million yen (non-consolidated financial results for the fiscal year ended March 31, 2005)
- (6) Number of Employees: 5,803
- (7) Description of Business: General advertising services

Profile of RECRUIT CO., LTD.

- (1) Company Name: RECRUIT CO., LTD.
- (2) President & CEO: Hitoshi Kashiwaki
- (3) Location: 8-4-17, Ginza, Chuo-ku, Tokyo
- (4) Capital: 3,002.64 million yen
- (5) Sales: 407, 890 million yen (non-consolidated financial results for the fiscal year ended March 31, 2005)
- (6) Number of Employees: 4,982
- (7) Description of Business: General human resource services, matching services linking products with consumers through information magazines, Internet and mobile communication devices

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