

FOR IMMEDIATE RELEASE

June 6, 2006

Dentsu and Mitsubishi Corporation
Establish a Business Alliance Involving
the Production, Sale and Rights Management
of Japanese Animation

Dentsu Inc. (President: Tateo Mataka; Head Office: Tokyo) and Mitsubishi Corporation (President: Yorihiro Kojima; Head Office: Tokyo) announced today that they will form a business alliance encompassing the production, sale and rights management of Japanese animated works in Japan and globally. The main points of the business alliance are as follows.

Purpose of the Business Alliance

Dentsu and Mitsubishi Corporation have, up to now, pursued independent business operations involving the sale and rights management of Japanese animated works, both directly and through their respective subsidiaries. Against a background of worldwide popularity enjoyed by Japanese animation in recent years, Dentsu and Mitsubishi Corporation have decided to embark on a strategic business alliance in this field, beginning with the specific transactions outlined below. Dentsu brings to this partnership significant domestic capabilities in content and creative production, while Mitsubishi Corporation has built a strong track record in the export of Japanese animated works, particularly focusing on children's animation. Through this alliance, the partners aim to build an integrated business model focusing on all areas related to the animation businesses, from production to global sales and rights management. Simultaneously, they will strive to accelerate the development of high-quality works, in an effort to expand the business in Japan and internationally.

In addition, the partners have agreed to actively cooperate in developing businesses that utilize such new media as the Internet and mobile devices. As broadcast media rapidly diversify, the two groups intend to develop their partnership based on a long-term, multifaceted approach.

Establishment of Joint Investment Fund Specializing in Japanese Animation

Dentsu, its consolidated subsidiary Geneon Entertainment Inc. (President: Sumio Kiga; Head Office: Tokyo) and Mitsubishi Corporation subsidiary d-rights Inc. (CEO: Toru Itabashi; Head Office: Tokyo) will establish a joint investment fund specializing in projects relating to the production of Japanese animated works. The fund will aim to develop works capable of expanding the businesses in Japan and in global markets, particularly North America. The fund will be capitalized at 2.0 billion yen, with Dentsu contributing 30%, Geneon Entertainment 20% and d-rights 50% of this amount.

Concurrent with the establishment of this investment fund, the three companies will set up a joint investment committee, and based on its recommendations the fund will invest in 15 to 20 works per year. The partners will then collaborate in developing sales and rights management businesses for the works in Japan, North America and other international markets.

For its first selection, the investment committee plans to choose *Guardian of the Sacred Spirit*, (production: Production I.G Inc.; planned to be broadcast on NHK in Spring 2007), currently a popular piece of children's literature. The committee also intends to promote the work in Japan and internationally from 2007.

New media, including the Internet and mobile devices, are expected to be used extensively in the development of works targeted by the fund.

Capital Participation by Mitsubishi Corporation in Geneon Entertainment (USA) Inc.

Dentsu and Mitsubishi Corporation have agreed to make Dentsu subsidiary Geneon Entertainment (USA) Inc. (President: Eiji Orii; Head Office: Long Beach, California) a joint venture. Geneon Entertainment (USA) is involved in the planning and distribution of entertainment content in the United States, focusing primarily on Japanese animation. Dentsu and Mitsubishi Corporation plan to cooperate closely in the management of this company. Pursuant to Geneon Entertainment (USA) becoming a joint venture, Mitsubishi Corporation will acquire, through d-rights Inc., a 34% equity stake in the company from Dentsu, and nominate two members of its board of directors.

In addition to undertaking sales activities in the United States of works developed through the joint investment fund, Geneon Entertainment (USA) will also aggressively develop these works for use in such new media as the Internet and mobile devices.

Concurrently, Geneon Entertainment (USA) will carry out marketing activities for works related to the fund, with the aim of developing successful businesses based on these works in the North American and global markets.

Outline of the Japanese Animation Joint Investment Fund

Investment Ratio: Dentsu Inc. 600 million yen (30%); Geneon Entertainment Inc.
400 million yen (20%); d-rights Inc. 1,000 million yen (50%)
Establishment Date: June 6, 2006

Outline of the Sale of Shares in Geneon Entertainment (USA) Inc.

Ratio of Voting Rights of the Shares to Be Sold: 34%
Shareholding Ratio Subsequent to the Sale: Dentsu Inc. 66%; d-rights Inc. 34%
Date of Share Transfer: June 6, 2006

Profile of Dentsu Inc.

Company Name: Dentsu Inc.
Date Established: July 1, 1901
Capital: 58,967.1 million yen
President & CEO: Tateo Matakai
Location: 1-8-1, Higashi-Shimbashi, Minato-ku, Tokyo
Principal Business: Full-service advertising

Profile of Mitsubishi Corporation

Company Name: Mitsubishi Corporation
Date Established: April 1950
Capital: 197,800 million yen (as of March 2003)
President & CEO: Yorihiro Kojima
Location: 3-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo
Principal Business: General trading company

Profile of Geneon Entertainment Inc.

Company Name: Geneon Entertainment Inc.

Date Established: March 1981
Capital 3,600 million yen
Shareholder: Dentsu Inc. (100%)
President & CEO: Sumio Kiga
Location: Arai Bldg., 1-20-6, Ebisu-minami, Shibuya-ku, Tokyo
Principal Business: Planning, production and distribution of entertainment content

Profile of Geneon Entertainment (USA) Inc.

Company Name: Geneon Entertainment (USA) Inc.
Date Established: March 1980
Capital 14,808,000 U.S.dollars
Shareholder: Dentsu Inc. (100%)
President & CEO: Eiji Orii
Location: 2265 E. 220th Street, Long Beach, CA 90810, U.S.A.
Principal Business: Planning, production and distribution of entertainment content in the United States

Profile of d-rights Inc.

Company Name: d-rights Inc.
Date Established: December 1988
Capital 80 million yen (as of March 2003)
Shareholder: Mitsubishi Corporation (100%)
CEO: Toru Itabashi
Location: 4F, Suitaya Bldg., 2-8-4, Kanda-tsukasa-cho, Chiyoda-ku, Tokyo
Principal Business: Entertainment content production; rights management; advertising, promotion and marketing; planning and sale of exclusive merchandise through convenience stores

Background of *Guardian of the Sacred Spirit*

Production I.G Inc., one of Japan's most celebrated production houses, and responsible for such worldwide hits as *Jin-Roh* and *Innocence*, is also responsible for *Guardian of the Sacred Spirit*. The animation is a new Asian high fantasy directed by Kenji Kamiyama, one of Japan's top young directors who has also directed the million DVD seller, *Ghost In The Shell: Stand Alone Complex*.

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