

Dream Incubator and Dentsu Group Enter into Capital and Business Alliance

Expanding business produce operations that accelerate business creation and growth at clients

Dream Incubator Inc. (headquartered in Chiyoda-ku, Tokyo; Representative Director & CEO Tetsuro Harada; "DI") hereby announces it entered into a capital and business alliance agreement with Dentsu Group Inc. on May 14, 2021 with the aim of expanding its business produce operations that accelerate business creation and continued growth at its clients.

Under the alliance, DI will build an organization capable of delivering one-stop support services ranging from the planning of business strategies to execution support, and thus further strengthen its business produce foundations by proposing and implementing a broader range of comprehensive solutions to address the challenges faced by its clients.

Since its inception, the Company has maintained the conviction that "producing major businesses is vital for the Japanese economy." Building on its strategic consulting foundations, which are its strength, it has conceptualized solutions to various industrial and social problems by thinking outside the box, and provided unique professional services to support business creation and innovation at its clients. Its distinctive approach has received high praise, further raising the expectations of its clients. Amid growing demand for one-stop services that encompass the formulation of concepts and strategies, networking that stretches beyond industry boundaries, and subsequent execution measures (specifically in areas such as systems development and deployment, design and implementation of marketing strategies, and integration with existing operations), the Company is facing the challenge of building an organization capable of meeting such needs.

Meanwhile, the Dentsu Group has contributed to the growth and development of the advertising industry in Japan by supporting its clients through marketing communication. In tandem with changes in the business environment and the maturation of markets in recent years, clients have started calling for integrated solutions in a broad array of fields that transcend the marketing category. In response, the Dentsu Group has worked to create new value by consolidating its internal and external resources. To resolve their challenges and accelerate growth, clients seek comprehensive solutions that formulate and execute strategies to drive topline growth. In particular, they urgently require an expansion in resources to support their business creation needs.

The missions of the Company and Dentsu Group are broadly aligned as both companies aim to "contribute to the business creation and topline growth of clients." The Company decided to enter into a capital and business alliance with Dentsu Group—which pursues integrated growth solutions as its core business strategy—in the belief that pooling the diverse assets of both companies under its mission of

"Creating businesses and Changing Societies," and thus working to create major business projects for the next generation, will help facilitate the development and provision of new services and solutions by combining the strengths, characteristics and value provided by both companies.

Through the Capital and Business Alliance, the Company and Dentsu Group will form a unified team, and aim to grow together as partners of clients that pursue major business transformations.

(Reference) Strengths of both companies

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	Dentsu Group	DI
Primary business focus	Consumer behavior, customer	Social issues x (policy, strategy,
	interaction, customer experience	technology)
Timeframe for	Short to medium term	Medium to long term
value creation		
Areas in which added	Sales, marketing, management	R&D, management planning,
value is provided		management

[Envisioned direction of collaboration]

- (1) Promotion of, and support for, cross-selling to each other's clients
- (2) Cultivation and development of new clients through joint efforts and collaboration
- (3) Development of joint solutions by taking advantage of existing services and asset portfolios
- (4) Personnel exchanges

The two companies will flesh out the details through mutual discussion and consideration going forward.

■ Profile of Dentsu Group (https://www.group.dentsu.com/en/)

Location: 1-8-1 Higashi-shimbashi, Minato-ku, Tokyo

Established: July 1, 1901 (founding date for former Dentsu Inc.)

Capital: 74,609,810,000 yen

Representative: Representative Director, President and CEO, Toshihiro Yamamoto
Business: As the holding company for the Dentsu Group, provides support and

foundations for the businesses operated by the roughly 1,000 group companies in Japan and overseas, and promotes group governance.

■ About Dream Incubator Inc. (https://www.dreamincubator.co.jp/)

DI works not only to develop services for client companies, but also to produce businesses that transform society and infuse energy into the Japanese economy. DI achieves this by combining strategic consulting skills—the most universal, valuable, and fundamental skills in the business sphere—with managerial abilities honed by a pragmatic and ownership-spirited mindset fostered through our incubation initiatives.

[Press release inquiries]