

News Release

Hakuhodo Inc.
Hakuhodo DY Media Partners Inc.

About the integration of Hakuhodo and Hakuhodo DY Media Partners

Tokyo—December 13, 2024—As announced by Hakuhodo DY Holdings Inc. on November 13, 2024, Hakuhodo Inc. and Hakuhodo DY Media Partners have been in discussions regarding their integration. We would like to announce that we have decided to integrate as follows.

1. Purpose of the integration

In June 2024, Hakuhodo DY Holdings announced in its new Medium-Term Business Plan (MTBP) the goal of evolving beyond the framework of a group of advertising companies into a creativity platform. With *sei-katsu-sha*-centered creativity as its edge, it aims to become a group that creates the future by connecting *sei-katsu-sha* (the Hakuhodo DY Group's term for the holistic person), organizations and society to generate new relationship value. During the three years of the MTBP, Hakuhodo DY Holdings will undertake business restructuring from three perspectives: Restructuring of marketing business, creation of new growth options, and remodeling of global business.

In domestic marketing business, a full-funnel response leveraging data and technology is becoming a prerequisite. Amid the evolution of technologies such as generative AI and the ability to leverage a variety of *sei-katsu-sha* data, organizations' marketing needs are no longer limited to integrated communications that bring together TV and internet communications and promotions. They are now shifting to full-funnel planning and implementation. Like digital media, traditional media are evolving to become programmatic and it will be crucial to have full-funnel *Sei-katsu-sha* Data-Driven Marketing functions that fully cover the gamut from marketing communications functions utilizing traditional and digital media to marketing execution functions such as commerce and customer relationship management, all utilizing data.

To respond to this expansion of organizations' needs, enhancing the functions we offer and making them more seamless is vital. Therefore, we will integrate Hakuhodo and Hakuhodo

DY Media Partners, consolidating and enhancing core functions, including full-funnel data-driven marketing planning and media response functions, in this new Hakuholdo. Furthermore, having Hakuholdo's frontline and Hakuholdo DY Media Partners' media response functions operate as one will strengthen our media sales capability and ability to make proposals to media companies.

The new Hakuholdo, which with the integration of Hakuholdo and Hakuholdo DY Media Partners will have enhanced full-funnel marketing functions, also aims to become shared infrastructure for the Hakuholdo DY Group.

2. About the new company

Name:	Hakuholdo Inc.
Workforce:	4,601 (forecast: figure is the total for Hakuholdo and Hakuholdo DY Media Partners as of April 1, 2024)
Location:	5-3-1 Akasaka, Minato-ku, Tokyo
Shareholders:	Fully owned by Hakuholdo DY Holdings Inc.
Integration date:	April 1, 2025 (scheduled)
Method:	Absorption-style split with Hakuholdo the successor company

Note: Representatives, organization and other matters are yet to be decided and will be announced at a later date.

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