



October 8, 2013

FOR IMMEDIATE RELEASE

MACROMILL, INC.

Company Representative: Tetsuya Sugimoto, Chairman and President

(Code no.: 3730, First Section of Tokyo Stock Exchange)

Contact: Naoya Sugiyama, Director

TEL: +81-3-6716-0700

**Notice of Start of Exclusive Negotiations and Execution of Basic Agreement
Regarding Acquisition of Shares of DENTSU MARKETING INSIGHT INC.**

MACROMILL, INC. (the "Company") announces that at a meeting of the Board of Directors held on October 8, 2013, it resolved to execute a basic agreement with DENTSU INC. ("Dentsu") for negotiations for the acquisition of 51% of the shares of DENTSU MARKETING INSIGHT INC. ("Dentsu Marketing Insight"). Macromill, Dentsu and Dentsu Marketing Insight will negotiate to execute the share transfer agreement for the exclusive negotiation period within the year, and also consider various related actions.

1. Reasons for commencing negotiations for share acquisition

As announced in the "Notice of execution of business partnership agreement for internet research business by Macromill, Dentsu and Dentsu Marketing Insight and establishment of joint venture by Macromill and Dentsu Marketing Insight" dated December 21, 2011, the Company has executed a business partnership agreement with Dentsu and Dentsu Marketing Insight and established Dentsu Macromill Inc. ("Dentsu Macromill") through joint investment with Dentsu Marketing Insight to stabilize and strengthen the business base of the internet research field.

Subsequently, the Company and Dentsu considered further strengthening the relationship. This led to negotiations for the management/operation of Dentsu Marketing Insight as the joint corporation of the Company and Dentsu to further enhance the value of the solutions provided by Dentsu to its clients.

Dentsu Marketing Insight receives orders for marketing research mainly from Dentsu. It retains numerous researchers with extensive experience in the research industry, and therefore boasts of "outstanding capabilities to provide integrated solutions."

On the other hand, the Company mainly provides an Internet research service, emphasizing systematization and efficiency. We have also made efforts to provide advanced solutions and develop and consider new marketing methods to meet a wide range of demands from customers. In addition, the Company is undertaking global expansion in China and South Korea and engaging in the database business.

As the negotiations proceed, the Company has become aware that Dentsu Marketing Insight is promoting the business in the same direction we are aiming towards. This has led to the conclusion that the mutual cooperation through the sharing of knowledge and assets between the Company and Dentsu Marketing Insight will secure the provision of high quality service that retains competitiveness and the development of new marketing methods in a more reliable manner.

Consequently, the Company has decided to execute the basic agreement to commence negotiations for the acquisition of 51% of the shares of Dentsu Marketing Insight and the management/operation of Dentsu Marketing Insight as the joint corporation of the Company and Dentsu.



2. Outline of the Subsidiary (DENTSU MARKETING INSIGHT INC.) (as of September 30, 2013)

(1) Name	DENTSU MARKETING INSIGHT INC.			
(2) Address	7-4-17, Ginza, Chuo-ku, Tokyo			
(3) Name and title of representative	Makoto Arai, President and CEO			
(4) Business description	1. Marketing planning and support service 2. Marketing research planning, implementation and analysis service 3. Information collection, data provision and analysis service 4. Database planning, design, operation, support and other services 5. Other information processing service			
(5) Capital	320 million yen			
(6) Date of establishment	November 1, 1967			
(7) Major shareholder and shareholding	DENTSU INC. 100.0%			
(8) Relationships between the listed company and Dentsu Marketing Insight	Capital relationships	There are no capital relationships to note between the Company and Dentsu Marketing Insight. It should be noted that the Company and Dentsu Marketing Insight established Dentsu Macromill on April 2, 2012 through joint investment (capital interest ratio: 60% for Dentsu Marketing Insight and 40% for the Company).		
	Personnel relationships	There are no personnel relationships to note between the Company and Dentsu Marketing Insight. The Company dispatches one (1) director and twelve (12) employees to Dentsu Macromill, the affiliate of the Company and the subsidiary of Dentsu Marketing Insight.		
	Business relationships	There are no business relationships to note between the Company and Dentsu Marketing Insight. It should be noted that the Company lends part of "AIRs," the automatic Internet research system, to Dentsu Macromill.		
	Whether or not Dentsu Marketing Insight constitutes a related party	Dentsu Marketing Insight does not constitute a party related to the Company. In addition, the persons concerned and affiliates of Dentsu Marketing Insight do not constitute a party related to the Company.		
(9) Operating results and financial position of Dentsu Marketing Insight for the last three years (on a non-consolidated basis)	in million yen			
	Fiscal year	FY2011/3	FY2012/3	FY2013/3
	Net assets	2,638	3,426	3,240
	Total assets	3,334	4,429	4,446
	Net assets per share	4,123.4 yen	5,354.0 yen	5,062.9 yen
	Net sales	4,553	4,567	5,411
	Operating income	39	(4)	288
	Ordinary income	72	9	302
	Net income	27	984	254
	Net income per share	43.47 yen	1,538.50 yen	397.51 yen
	Dividend per share	21.74 yen	792.30 yen	36.35 yen



3. Outline of the transferor of the shares (as of March 31, 2013)

(1) Name	DENTSU INC.	
(2) Address	1-8-1, Higashi-Shimbashi, Minato-ku, Tokyo	
(3) Name and title of representative	Tadashi Ishii, President & CEO	
(4) Business description	Provision of comprehensive solutions related to communication in the Integrated Communication Design business field Management/business consulting, etc.	
(5) Capital	74,609,810,000 yen (as of August 31, 2013)	
(6) Net assets	608,637 million yen	
(7) Total assets	2,205,569 million yen	
(8) Date of establishment	July 1, 1901	
(9) Major shareholders and shareholding	<p>The Master Trust Bank of Japan, Ltd. (trust account): 7.49%</p> <p>Kyodo News: 7.37%</p> <p>JJI PRESS LTD.: 6.38%</p> <p>Japan Trustee Services Bank, Ltd. (trust account): 4.65%</p> <p>Dentsu group employees stockholding association: 2.98%</p> <p>Mizuho Corporate Bank, Ltd.: 1.80%</p> <p>Yoshida Hideo Memorial Foundation: 1.79%</p> <p>Recruit Holdings Co., Ltd.: 1.77%</p> <p>TOKYO BROADCASTING SYSTEM TELEVISION, INC.: 1.44%</p> <p>SSBTOD05OMNIBUS ACCOUNT-TREATYCLIENTS: 1.42%</p>	
(10) Relationships between the listed companies and Dentsu	Capital relationships	<p>There are no capital relationships to note between the Company and Dentsu.</p> <p>The Company has 40% of the equity of Dentsu Macromill, the subsidiary of a subsidiary of Dentsu.</p>
	Personnel relationships	<p>There are no personnel relationships to note between the Company and Dentsu. In addition, there are no personnel relationships to note between the persons concerned and affiliates of the Company and the persons concerned and affiliates of Dentsu.</p>
	Business relationships	<p>There are no business relationships to note between the Company and Dentsu.</p> <p>It should be noted that the Company lends part of "AIRs," the automatic Internet research system, to Dentsu Macromill, the subsidiary of a subsidiary of Dentsu.</p>
	Whether or not Dentsu constitutes a related party	<p>Dentsu does not constitute a party related to the Company.</p> <p>In addition, the persons concerned and affiliates of Dentsu do not constitute a party related to the Company.</p>



4. Number of shares to be acquired, purchase price and state of shareholding upon acquisition

(1) Number of shares held before transfer	0 shares
(2) Number of shares to be acquired	This will be determined through negotiations with Dentsu. We intend to acquire 51% of the total issued shares.
(3) Purchase price	It will be about 0.8 billion yen. The purchase price will be ultimately determined through negotiations with Dentsu based on the results of the due diligence for Dentsu Marketing Insight that the Company will conduct after the release of this notice, and other factors.

5. Schedule

(1) Execution of basic agreement	October 8, 2013
(2) Execution of share transfer agreement	Yet to be determined
(3) Date for share transfer	Yet to be determined (we currently intend to acquire the shares by the end of December 2013)

6. Future outlook

Upon the release of this notice, the Company will commence the due diligence for Dentsu Marketing Insight. In addition, we intend to announce any impacts, etc. on the consolidated performance of the Company as a result of the share acquisition described above at the time of execution of the share transfer agreement.

End.

(Reference) Consolidated earnings forecasts for the current period (as announced on August 8, 2013) and consolidated results for the previous period

	Consolidated net sales	Consolidated operating income	Consolidated ordinary income	Consolidated net income
Consolidated earnings forecasts for the current period (FY2014/6)	19,100 million yen	3,400 million yen	3,000 million yen	1,700 million yen
Consolidated results for the previous period (FY2013/6)	17,120 million yen	3,838 million yen	3,951 million yen	2,508 million yen