

[Translation]
November 6, 2017

To whom it may concern:

Company name: ASATSU-DK INC.
Representative: Shinichi Ueno, Representative
Director, President & Group CEO
(Code: 9747, Listed on First Section
of Tokyo Stock Exchange)
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Notice Regarding Filing of Petition for Arbitration by WPP Group Against the Company

The Company hereby gives notice of the contact made by WPP 2008 Limited, WPP 2005 Limited, and WPP International Holding B.V., which are group companies of WPP plc, regarding the filing of a petition for arbitration with the Company as the respondent.

1. Content of Arbitration Filing

(1) Background and content of the arbitration filing

As announced in the Company's press release dated October 2, 2017 titled "Notice of Termination of Capital and Business Alliance with WPP Group" (the "**Press Release on Termination of Alliance**"), the Company, on the same date, decided to terminate the capital and business alliance with WPP plc and its group companies (collectively, the "**WPP Group**"; that alliance, the "**Capital and Business Alliance**") and issued to the WPP Group a notice to terminate the Co-operation and Alliance Agreement dated August 3, 1998 between the Company and the WPP Group (as amended; the "**CAA**"; that notice, the "**Company's Termination Notice**").

In addition, as detailed in the Press Release on Termination of Alliance, the Company, on October 2, 2017, sent to the WPP Group notice requesting sale of the shares of common stock in the Company owned by the WPP Group (the "**Company Shares Held by WPP**") (that notice, the "**Disposal Notice for Company Shares**") in accordance with the Stock Purchase Agreement dated August 3, 1998 and entered into with the WPP Group as part of the Capital and Business Alliance (as amended; the "**SPA**").

In response, the Company has now received notice from the WPP Group's attorney that WPP 2008 Limited, WPP 2005 Limited, and WPP International Holding B.V. (collectively, the "**Petitioners**")

from the WPP Group have filed a petition for arbitration (the “**Arbitration Filing**”) in accordance with the arbitration agreement under the CAA and the SPA. In the Arbitration Filing, the Petitioners allege, among other things, that the Company’s Termination Notice is invalid, and that the agreement between the Company and Morgan Stanley & Co. International plc regarding derivative transactions for the share price of WPP shares (the “**Hedging Transaction**”) on October 2, 2017 is in breach of the SPA, and demand, among other things, confirmation that there is no obligation for the Petitioners to sell the Company Shares Held by WPP, and that the Petitioners have the right to continue to hold the Company Shares Held by WPP (for the allegations of the Petitioners, please see the Company’s press release dated October 10, 2017 titled “FAQ Regarding Tender Offer for Shares of the Company” and the Company’s press release dated November 2, 2017 titled “Notice Regarding Receipt of Notice of Termination of Capital and Business Alliance with WPP Group”).

(2) Location of the arbitration filing

Location: Tokyo (Japan)

Governing law: Japanese law

Arbitration body: Japan Commercial Arbitration Association

Arbitration filing date: November 1, 2017

(3) Outline of the parties filing for arbitration

Petitioner 1

Name: WPP 2008 Limited

Address: 27 Farm Street, W1J 5RJ, London, England

Representative: Stephen Winters

Petitioner 2

Name: WPP 2005 Limited

Address: 27 Farm Street, W1J 5RJ, London, England

Representative: Stephen Winters

Petitioner 3

Name: WPP International Holding B.V.

Address: Laan op Zuid 167, 3072 DB Rotterdam, the Netherlands

Representative: A. Van Heulen-Mulder

2. Company’s future measures

As already announced, the Company gave the Company’s Termination Notice after careful consideration of the validity of the Company’s Termination Notice based not only on the opinion of the attorney-at-law who was involved in the preparation of the CAA at the time of executing the CAA, but

also the opinion of several major law firms (which are experts in the Japanese law, which is the governing law of the agreements). Accordingly, the Company believes that the Company's Termination Notice was given validly in accordance with the CAA. The Company also believes that the Hedging Transaction does not constitute a breach of the SPA as alleged by the WPP Group, because the Hedging Transaction does not constitute a transfer or disposal of legal or beneficial interest in the WPP shares.

The Company believes that the WPP Group owes the contractual obligation under the SPA to sell the Company Shares Held by WPP, pursuant to the Company's Termination Notice and the Disposal Notice for Company Shares, and that the claims by the WPP Group in the Arbitration Filing are without merit.¹ The Company intends to sincerely explain the legitimacy of the Company's claims to the arbitral tribunal and aggressively refute the WPP Group's claims in future arbitration proceedings.

End

¹ In addition to the above, in the Arbitration Filing, the WPP Group also states that it will issue another notice to terminate the CAA if the tender offer successfully closes, based on the understanding that such event would constitute a Change of Control in the Company, and on that ground, it intends to make the additional claims that the Company's Termination Notice is invalid and that the WPP Group has the right to continue to hold the Company Shares Held by WPP. However, as already announced, the Company has submitted the Company's Termination Notice to the WPP Group on October 2, 2017, and believes the procedures for unwinding cross-holding of shares under the CAA and SPA have already been commenced, and even if additional claims are made by the WPP Group, the Company believes that they are without merit.