

FOR IMMEDIATE RELEASE

February 7, 2011

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Securities code: 9747

ASATSU-DK revises down FY 2010 Forecasts
and announces a derecognition of deferred tax assets

Based on the recent business development, ASATSU-DK (“ADK”) hereby revises the consolidated and non-consolidated forecasts of the FY 2010 and also announces a derecognition of deferred tax assets as in the tables and notes below:

Table 1. Revised Consolidated Forecast of the FY 2010

(From Jan. 1, 2010 through Dec. 31, 2010) (Unit: Million JPY, except for per share data)

	Gross Billings	Operating Income	Recurring Profits	Net Income	EPS(Yen)
Previous Forecast (A) (Announced on Aug. 6, 2010)	354,000	0	1,900	(2,500)	(59.22)
Revised Forecast (B)	346,565	22	1,885	(4,656)	(110.28)
Variance(B-A)	(7,434)	22	(14)	(2,156)	–
Change ratio (%)	(2.1)	–	(0.8)	–	–
(Ref.: Actual results of FY 2009)	350,211	(756)	1,094	73	1.73

Table 2. Revised Non-consolidated Forecast of FY 2010

(From Jan. 1, 2010 through Dec. 31, 2010) (Unit: Million JPY, except for per share data)

	Gross Billings	Operating Income	Recurring Profits	Net Income	EPS(Yen)
Previous Forecast (A) (Announced on Aug. 6, 2010)	314,000	(900)	700	700	16.58
Revised Forecast (B)	305,759	(1,674)	5	(2,112)	(50.03)
Variance(B-A)	(8,240)	(774)	(694)	(2,812)	-
Change ratio (%)	(2.6)	-	(99.2)	-	-
(Ref.: Actual results of FY 2009)	310,970	(1,267)	449	(498)	(11.66)

Reasons of revision

Consolidated gross billings are re-forecasted at ¥346,565 million, smaller by 2.1% than in the latest forecast as of August 6, 2010. Reflecting a decrease in gross profits at the parent company to ¥30,713 million, 3.9% shy of the latest forecast, the forecast of consolidated gross profits are revised down by 0.6% to ¥42,028 million. However, consolidated gross margin is re-forecasted to be 12.1%, while the gross margin in FY 2009 was 11.8%.

Because the decrease in gross profits at the parent company is re-forecasted to be larger than a reduction in operating expenses, the parent company is re-forecasted to report operating loss of ¥1,674 million. However, because of larger contribution to the operating income from the consolidated subsidiaries than in the latest forecast, the group revises up its forecast of operating income slightly to ¥22 million.

Accordingly, the recurring profits are re-forecasted at ¥5 million on non-consolidated basis and ¥1,885 million on consolidated basis.

The parent company is re-forecasted to report net loss of ¥ 2,112 million due to larger evaluation losses in investment securities, larger additional severance benefits related with the special early retirement program, and an increase in deferred tax expense as explained later. Accordingly, we revise the latest non-consolidated EPS forecast and announce that Non-consolidated net loss per share is forecasted at ¥ 50.03. Accordingly, the group is re-forecasted to report consolidated net loss of ¥4,656. Consolidated net Loss per share is re-forecasted at ¥ 110.28.

Derecognition of deferred tax assets

ADK and one of its consolidated subsidiary determined to derecognize certain amount of their deferred tax assets conservatively after careful consideration of recoverability in accordance with the guideline of “Auditing Treatment concerning Determination of

Recoverability of Deferred Tax Assets,” or Audit Committee Report No. 66, issued by Japanese Institute of Certified Public Accountants. The amounts of derecognitions are ¥1,419 million at the parent company and ¥1,559 million on consolidated basis and the amounts are charged to Income Statements as Deferred Tax Expenses.

Dividend per share forecast and announcement of the final data

ADK maintains its forecast of annual dividend per share at ¥ 20 (¥10 as an interim and ¥10 as a final), or a minimum annual dividend per share under the company’s distribution policy, as announced on August 6, 2010. The actual consolidated results for the FY 2010 will be announced on February 10, 2011.

Note:

This announcement may contain forward-looking statements based on ADK management’s view and assumptions of future development as of the date of such statements. The foregoing statements are inherently subject to risks and uncertainties that could lead to material differences between such statements and actual outcomes. Therefore, ADK does not warrant any certainty and accuracy thereto. ADK also expressly disclaims any obligation to update or revise its forward-looking statements.

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