



Financial Report for FY 2004

March 1, 2005
Asatsu-DK Inc.



The State of Japan's Ad Industry

Japan's Advertising Market

CY2004

CY2005 Forecast

Government

Government

Private Institutes

Real GDP

+2.6%

+1.6%

+1.15%

Nominal GDP

+1.4%

+1.3%

+0.49%

(Government: Annual Report of National Economic Accounting)

(Private Institutes: Toyo Keizai consensus of 36 institutes)

National

¥5.8571 TRN

¥5.9379 TRN

Ad Spending

+3.0%

+1.4%

(Source: Dentsu)

Gross Billings of Top 8 Ad Agencies

(¥MM)

	<u>2004</u>	<u>Increase/Decrease</u>	<u>vs. 2003</u>
Dentsu	1,505,240	126,098	109.1%
Hakuhodo	682,727	28,774	104.4%
ADK	373,897	16,299	104.6%
Daiko	144,448	-8,160	94.7%
Tokyu Agency	137,781	-25,808	84.2%
Yomiko	107,331	-3,954	96.4%
East Japan M&C	89,066	5,098	106.1%
Asahi Ad	57,756	-2,495	95.9%
Total	3,098,247	135,852	104.6%

ADK Share
of National
Market
6.38%



2004 Performance of ADK Parent

Gross Billings: Breakdown by Industry

ADK

(¥MM)

	Gross Billings	Composition Ratio	Increase/Decrease	v s. 2003
Energy/Raw Materials/Machinery	5,481	1.5%	254	104.9%
Foods	36,172	9.7%	-3,724	90.7%
Beverages/Tobacco Products	26,779	7.1%	-642	97.7%
Pharmaceuticals/Medical Supplies	15,210	4.1%	-248	98.4%
Cosmetics/Toiletries	32,993	8.8%	-5,240	86.3%
Apparel/Accessories	9,207	2.5%	-817	91.8%
Precision Instruments/Office Equipment	8,518	2.3%	283	103.4%
Electric Machinery/AV Equipment	8,521	2.3%	-762	91.8%
Transport Equipment	23,053	6.2%	-14	99.9%
Household Products	2,761	0.7%	762	138.1%
Hobbies/Sporting Goods	18,702	5.0%	-1,390	93.1%
Real Estate/Housing Facilities	6,241	1.7%	1,015	119.4%
Publications	3,415	0.9%	-1,171	74.5%
Information/Communications	41,477	11.1%	7,075	120.5%
Distribution/Retail	22,521	6.0%	4,755	126.8%
Finance/Insurance	57,430	15.3%	8,000	116.2%
Transportation/Leisure	10,292	2.7%	188	101.9%
Food Services/Other Services	11,185	3.0%	1,971	121.4%
Government/Organizations	8,407	2.2%	1,326	118.7%
Education/Health Services	2,117	0.6%	725	152.1%
Classified Ads/Others	23,415	6.3%	3,953	120.4%
Total	373,897	100.0%	16,299	104.6%

Gross Billings: Breakdown by Medium



(¥MM)

	ADK	vs. 2003	Total of Top 8 Agencies	vs. 2003
Magazines	21,839	98.5%	164,026	100.1%
Newspapers	34,761	97.8%	421,285	100.4%
Television	183,341	102.0%	1,386,889	100.5%
Sponsored Programs	66,286	99.7%	N.A.	N.A.
Spot	98,123	100.5%	N.A.	N.A.
Digital Media*	3,973	101.2%	N.A.	N.A.
Content Business	14,959	128.5%	N.A.	N.A.
Radio	3,732	96.9%	56,270	99.3%
Sales Promotion	68,599	109.9%	1,069,777	106.8%
Creative & Others	61,625	114.4%		
Total	373,897	104.6%	3,098,247	104.6%

* BS/CS/Internet

Non-consolidated P/L



(¥MM)

	2003	2004	vs. 2003	Increase/Decrease
Gross Billings	357,598	373,897	104.6%	16,299
Gross Profit	37,918	40,360	106.4%	2,442
Gross Profit Ratio	10.6%	10.8%	+ 0.2%	-
SG&A Expenses	32,491	32,973	101.5%	482
Staff Cost	21,760	22,386	102.9%	626
Others	10,731	10,587	98.7%	-144
Operating Profit	5,427	7,387	136.1%	1,960
Non-Operating Profit	1,043	1,604	153.6%	561
Recurring Profit	6,470	8,991	139.0%	2,521
Net Extraordinary Profit	-312	-460	-	-148
Net Profit Before Tax	6,158	8,531	138.5%	2,373
Income Tax	3,326	3,876	116.5%	550
Net Income	2,832	4,655	164.4%	1,823

Operating Margin	14.3%	18.3%
Staff Cost / Gross Profit	57.4%	55.5%
Conversion Rate	50.9%	80.3%

Gross Profit Analysis

(¥MM)

<u>Gross Profit</u>	<u>2003</u>	<u>2004</u>	<u>Increase/Decrease</u>	<u>vs. 2003</u>
Brand-related business	34,425	35,400	975	102.8%
Content business	3,493	4,960	1,467	142.0%
Total	37,918	40,360	2,442	106.4%

Composition Ratio

	<u>2003</u>	<u>2004</u>
Brand-related business	90.8%	87.7%
Content business	9.2%	12.3%

SG & A Expenses Analysis

	<u>2003</u>	<u>2004</u>	<u>Increase/Decrease</u>	(¥MM)
Staff Cost	21,760	22,386	626	- Larger allowance for Incentive Bonus (c.a. ¥1,700MM)
Others	10,731	10,587	-144	- Smaller allowance for doubtful receivables due to improved collection rate - Reduction of office related expenses
Total	32,491	32,973	482	

Improvement of Earnings & Efficiency Indicators

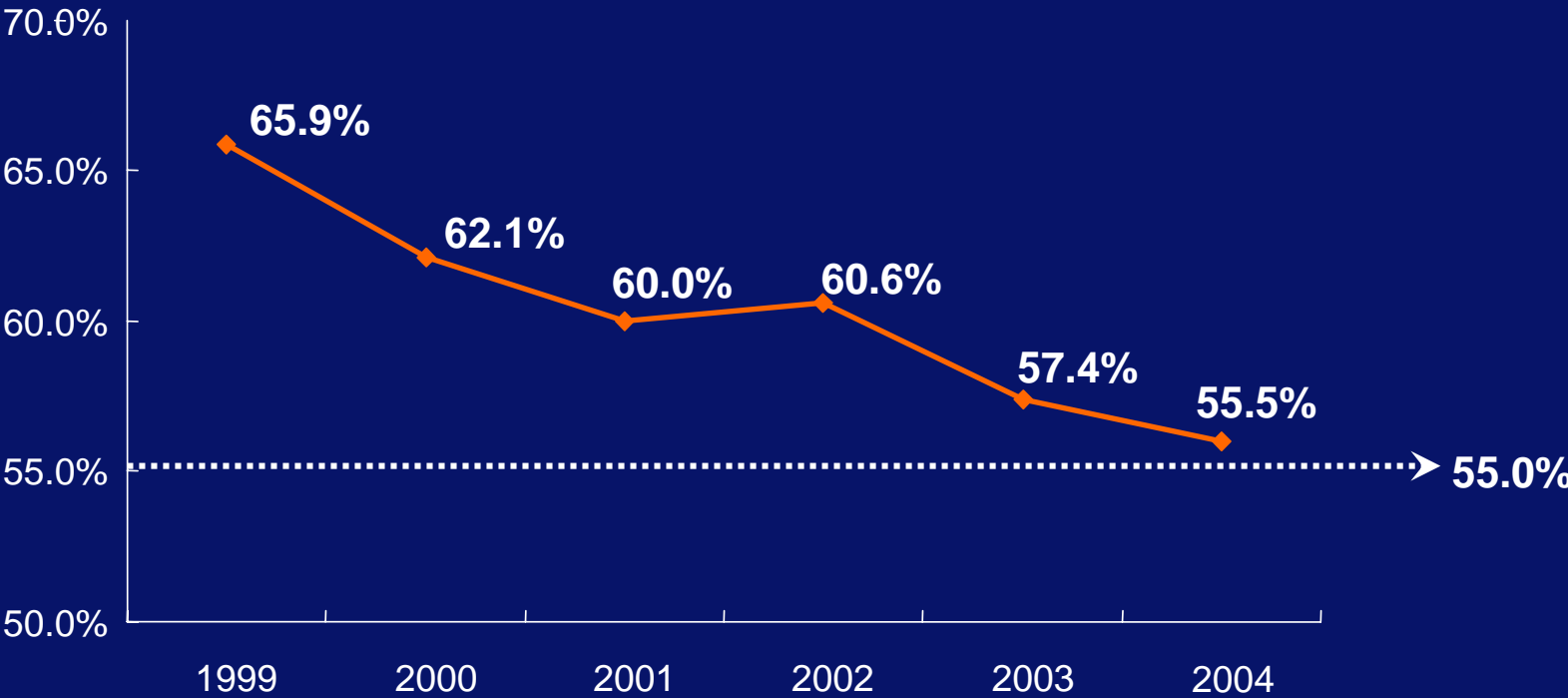
	1999	2000	2001	2002	2003	2004	Mid-term Goal
Operating Margin	6.0%	10.0%	11.1%	7.6%	14.3%	18.3%	15.0%



Improvement of Earnings & Efficiency Indicators



	1999	2000	2001	2002	2003	2004	Mid-term Goal
Staff Cost / Gross Profit	65.9%	62.1%	60.0%	60.6%	57.4%	55.5%	55.0%



- **Application of 360-degree communication program**
 - **Below-the-line**
 - **Creative**
- **Sales growth of contents from overseas markets**
 - **Yu-Gi-Oh! in U.S.A.**
- **Cost of sales reduction by focus on selected suppliers**
- **Ongoing operating expenses reduction**

1) Increase brand-related business

- Cultivate existing clients
- Get new brands

2) Increase media sales

Growth in New Clients vs. Existing Clients

A white horizontal arrow pointing to the right, positioned below the text.

Growth in Global Clients vs. Japanese Clients

A white horizontal arrow pointing to the right, positioned below the text.

Growth in Media Buying Business vs. Brand-related Business

A white horizontal arrow pointing to the right, positioned below the text.

Growth in Headquarters' Business vs. Domestic Networks' Business

A white horizontal arrow pointing to the right, positioned below the text.

New Clients vs. Existing Clients

	<u>Gross Billings</u>	<u>Composition Ratio</u>	(¥MM) <u>vs. 2003</u>
New Clients	9,711	2.6%	62.4%
Existing Clients	364,186	97.4%	106.5%
Total	373,897	100.0%	104.6%

Global Clients vs. Japanese Clients

(¥MM)

	<u>Gross Billings</u>	<u>Composition Ratio</u>	<u>vs. 2003</u>
Global Clients*	86,612	23.2%	96.3%
Japanese Clients	287,285	76.8%	107.3%
Total	373,897	100.0%	104.6%

* Multinationals operating in Japan

Media Buying Business vs. Brand-related Business

(¥MM)

	<u>Gross Billings</u>	<u>Composition Ratio</u>	<u>vs. 2003</u>
Media Buying Business	53,301	14.3%	101.0%
Brand-related Business	320,596	85.7%	105.2%
Total	373,897	100.0%	104.6%

HQs' Business vs. Domestic Networks' Business

	<u>Gross Billings</u>	<u>Composition Ratio</u>	(¥MM) <u>vs. 2003</u>
HQ	310,439	83.0%	104.2%
Domestic Network	63,458	17.0%	106.5%
Total	373,897	100.0%	104.6%



2004 Performance of ADK Group

Japan

Consolidated Subsidiaries: 7

- Kyowa Kikaku
- ADK International
- ADK Arts
- TRI Communication

- Eiken

- Nihon Bungeisha Publishing
- Neo Shobo

Equity Method Affiliates: 2

- Nippon Information Industry
- Digital Advertising Consortium

Overseas

Consolidated Subsidiaries: 10

- ADK America
- Asatsu Europe Holding
- Asatsu Europe
- Asatsu (Deutschland)
- Asatsu-DK Hong Kong
- United Asatsu International
- Asatsu-DK Singapore
- DK Advertising (HK)
- DIK-Ocean Advertising
- Dai-Ichi Kikaku (Thailand)

Equity Method Affiliates: 3

- ASDIK
- Guangdong Guangxu Advertising
- Shanghai Asatsu Advertising

Consolidated P/L



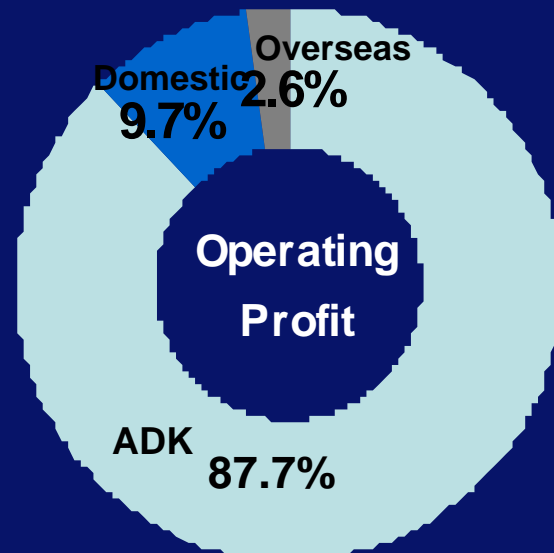
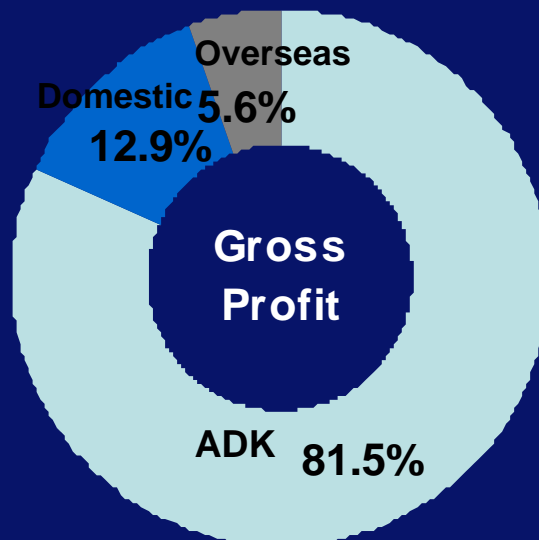
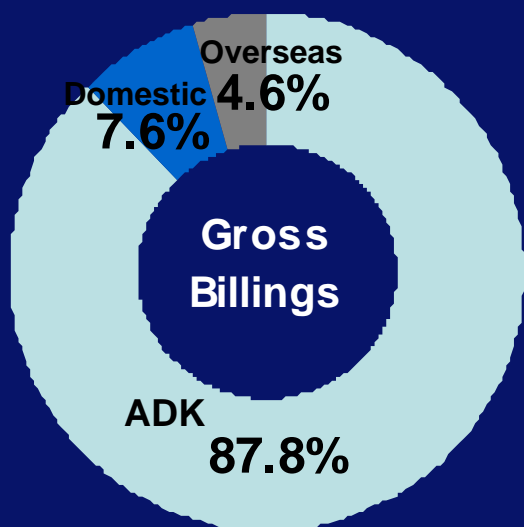
(¥MM)

	2003	2004	vs. 2003	Increase/ Decrease	group to parent ratio
Gross Billings	395,150	413,899	104.7%	18,749	1.11
Gross Profit	46,883	49,079	104.7%	2,196	1.22
Gross Profit Ratio	11.9%	11.9%	+0.0%	-	-
SG&A Expenses	40,466	40,819	100.9%	353	1.24
Staff Cost	26,791	27,342	102.0%	551	1.22
Others	13,675	13,477	98.6%	-198	1.27
Operating Profit	6,416	8,260	128.7%	1,844	1.12
Net Non-Operating Profit	1,633	1,998	122.4%	365	1.25
Recurring Profit	8,049	10,258	127.4%	2,209	1.14
Net Extraordinary Profit	-602	-818	-	-216	1.78
Income Before Income Taxes	7,447	9,440	126.8%	1,993	1.11
Income Taxes	3,727	4,206	112.8%	479	1.09
Minority Interests	98	53	54.0%	-45	-
Net Income	3,622	5,181	143.0%	1,559	1.11
Operating Margin	13.7%	16.8%	+3.1%		
Staff Cost / Gross Profit	57.1%	55.7%	-1.4%		
Conversion Rate	48.9%	83.9%	+35.0%		

Consolidated P/L Analysis

(¥MM)

2004	Gross Billings	vs. 2003	Gross Profit	vs. 2003	Operating Profit	vs. 2003
ADK	373,897	104.6%	40,360	106.4%	7,387	136.1%
Domestic Subsidiaries	32,578	101.3%	6,388	99.9%	818	114.3%
Overseas Subsidiaries	19,594	111.8%	2,753	106.6%	218	170.6%
Consolidation Adjustments	-12,170	-	-422	-	-163	-
Total	413,899	104.7%	49,079	104.7%	8,260	128.7%



The logo consists of a dark blue square with the letters "ADK" in white, italicized font.

ADK

2005 Forecast of ADK Parent & ADK Group

(¥MM)

	2004 Actual	2005 Forecast	vs. 2004	Increase/ Decrease
Gross Billings	373,897	388,000	103.8%	14,103
Gross Profit	40,360	41,500	102.8%	1,140
Gross Profit Ratio	10.8%	10.7%	-0.1%	-
SG&A Expenses	32,973	33,700	102.2%	727
Staff Cost	22,386	22,900	102.3%	514
Others	10,587	10,800	102.0%	213
Operating Profit	7,387	7,800	105.6%	413
Net Non-Operating Profit	1,604	1,500	93.6%	-104
Recurring Profit	8,991	9,300	103.4%	309
Net Extraordinary Profit	-460	-400	-	60
Income Before Income Taxes	8,531	8,900	104.3%	369
Income Taxes	3,876	3,900	100.6%	24
Net Income	4,655	5,000	107.4%	345
Operating Margin	18.3%	18.8%		
Staff Cost / Gross Profit	55.5%	55.2%		
Conversion Rate	80.3%	36.2%		

ADK Group P/L



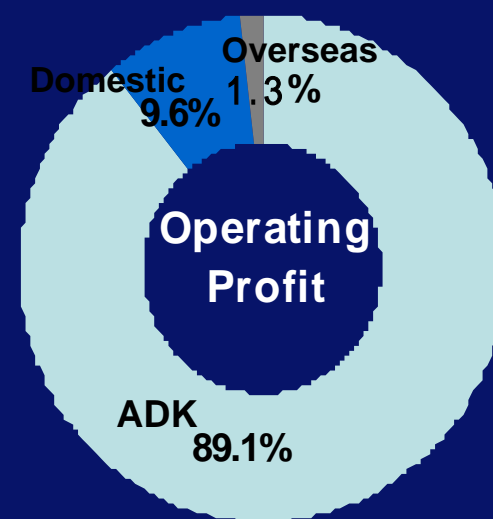
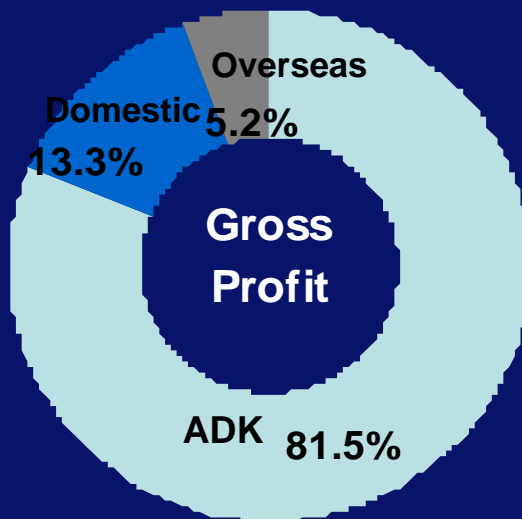
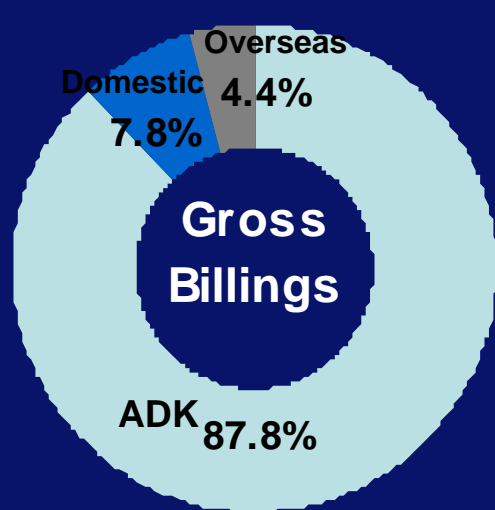
(¥MM)

	2004 Actual	2005 Forecast	vs. 2004	Increase/ Decrease	Group to Parent Ratio
Gross Billings	413,899	430,000	103.9%	16,101	1.11
Gross Profit	49,079	50,700	103.3%	1,621	1.22
Gross Profit Ratio	11.9%	11.8%	-0.1%	-	-
SG&A Expenses	40,819	41,900	102.6%	1,081	1.24
Staff Cost	27,342	28,100	102.8%	758	1.23
Others	13,477	13,800	102.4%	323	1.28
Operating Profit	8,260	8,800	106.5%	540	1.13
Net Non-Operating Profit	1,998	1,800	90.1%	-198	1.20
Recurring Profit	10,258	10,600	103.3%	342	1.14
Net Extraordinary Profit	-818	-340	-	478	0.85
Income Before Income Taxes	9,440	10,260	108.7%	820	1.15
Income Taxes	4,206	4,407	104.8%	201	1.13
Minority Interests	53	53	100.0%	0	
Net Income	5,181	5,800	111.9%	619	1.16
Operating Margin	16.8%	17.4%			
Staff Cost/Gross Profit	55.7%	55.4%			
Conversion Rate	83.9%	33.3%			

Consolidated P/L Analysis

(¥MM)

2005	Gross Billings	vs. 2004	Gross Profit	vs. 2004	Operating Profit	vs. 2004
ADK	388,000	103.8%	41,500	102.8%	7,800	105.6%
Domestic Subsidiaries	34,472	105.8%	6,785	106.2%	846	103.5%
Overseas Subsidiaries	19,509	99.6%	2,674	97.1%	112	51.5%
Consolidation Adjustments	-11,981	-	-259	-	42	-
Total	430,000	103.9%	50,700	103.3%	8,800	106.5%





Growth Strategies

1) Deal proactively with change

- Meet clients' changing needs

 - re-group and streamline internal organization to facilitate 360-degree communication programs

- Handle diversification and proliferation of media

 - strengthen the online and cross-media divisions
 - initiate the next generation agency – “e-Agency”

- 2) Nurture talent and sharpen skills to win more business and gain market share in a low-growth environment**
- Establish “ADK University” to strengthen people on the front line**
 - Continue R&D and Investment Fund (Marketing Expense Budget) for client cultivation**

3) Penetrate further into Osaka area

(the second largest market next to Tokyo in Asia except China)

- Energize ADK Osaka office by management changes and closer alliance with Tokyo HQ**

4) Penetrate further into China market

- Establish coordination office in Shanghai and Beijing to strengthen the network's local offices**

5) Continue to aggressively grow Content business

- Tap overseas Markets
- Seek multi-business model opportunities

TV Animation Programs held by ADK (from April)

- Yu-Gi-Oh! Duel Monsters
- Eyeshield 21 (new program)
- Onmyo Dai Senki
- Sergeant Keroro
- Doraemon
- Crayon Shin-chan
- Fushigiboshi no Futagohime (new program)
- Sesame Street
- Masked Rider
- Pretty Cure

Total: 15 programs

6) Continue to cultivate Event activities

2005

<Athletic Events>

- All Japan Collegiate Women's Invitational Ekiden Race (Feb.)
- Toray Pan Pacific Tennis (Feb.)
- Honolulu Century Ride 2005 (Sep.)
- All Japan Collegiate Ekiden Championship Race (Nov.)
- JAL Honolulu Marathon (Dec.)

<Cultural Events>

- Long-Thibaud Music Competition, Winners' Gala Concert (Feb.)
- Disney on Classic (Jan. to Mar.)
- Fuji Rock Festival (Jul.)
- Mt. Fuji Jazz Festival (Aug.)
- Lorin Maazel & Arturo Toscanini Philharmonic (Oct.)

EXPO 2005 AICHI JAPAN

From March 25th to September 25th, 2005

(Japan Pavilion, Mitsubishi Pavilion, Seto Area Civic Pavilion & Ireland Pavilion)

7) Further utilize WPP Group alliance

- Adopt WPP management style when/where appropriate**
- Absorb the latest communication skills, knowledge and trends from around the world**
- Jointly cultivate Japanese clients overseas**
- Jointly cultivate and support WPP clients in the Japanese market**

8) Continue to deliver first-class creative work

- nurture talent**
- build alliances with leading creative boutiques in Japan and overseas**

9) Strengthen group management

- create better performance as a group**
- promote synergy within the group**

2nd Mid-term Corporate Objectives

(2002-2004)

#1 Mid-term Corporate Objectives: Operational Efficiency

Indicators

	<u>Mid-term Goal</u>	<u>2004</u>	<u>Target</u>
Operating Margin	15%	18.3% (16.8%)	More than 20%
Staff Cost / Gross Profit	55%	55.5% (55.7%)	Less than 55%

() : ADK Group

(2005-2007)

#2 Mid-term Corporate Objectives: Operational Efficiency

+ Sustainable Growth

Indicators

Grow EPS

by the integration of net profit increases and constant / continual buy-back of own stock

Targets

	<u>2004</u>	<u>2007</u>	<u>Growth Rate</u>	<u>CAGR</u>
Group EPS	¥103.25	¥130	25.9%	8.0%



Appendix

ADK Parent P/L (H1:H2)



(¥MM)

	2005 Forecast	H1	vs.2004	H2	vs.2004
Gross Billings	388,000	196,600	106.1%	191,400	101.5%
Gross Profit	41,500	20,750	100.4%	20,750	105.4%
Gross Profit Ratio	10.7%	10.6%	-	10.8%	-
SG&A Expenses	33,700	16,600	100.0%	17,100	104.4%
Staff Cost	22,900	11,400	98.6%	11,500	106.3%
Others	10,800	5,200	103.5%	5,600	100.7%
Operating Profit	7,800	4,150	101.9%	3,650	110.1%
Non-Operating Profit	1,500	900	98.0%	600	87.6%
Recurring Profit	9,300	5,050	101.2%	4,250	106.2%
Net Extraordinary Profit	-400	-200	-	-200	-
Net Profit Before Tax	8,900	4,850	108.1%	4,050	100.1%
Income Tax	3,900	2,100	113.7%	1,800	88.7%
Net Income	5,000	2,750	104.3%	2,250	111.5%

ADK Group P/L (H1:H2)



(¥MM)

	2005 Forecast	H1	vs.2004	H2	vs.2004
Gross Billings	430,000	216,000	106.1%	214,000	101.8%
Gross Profit	50,700	25,130	101.1%	25,570	105.5%
Gross Profit Ratio	11.8%	11.6%	-	11.9%	-
SG&A Expenses	41,900	20,680	101.2%	21,220	104.1%
Staff Cost	28,100	13,980	100.1%	14,120	105.6%
Others	13,800	6,700	103.8%	7,100	101.1%
Operating Profit	8,800	4,450	100.7%	4,350	113.3%
Non-Operating Profit	1,800	1,050	95.0%	750	84.1%
Recurring Profit	10,600	5,500	99.5%	5,100	107.8%
Net Extraordinary Profit	-340	-140	-	-200	-
Net Profit Before Tax	10,260	5,360	109.7%	4,900	107.6%
Income Tax	4,407	2,336	115.7%	2,071	94.7%
Minority Interests	53	24	100.0%	29	100.0%
Net Income	5,800	3,000	105.5%	2,800	119.8%

B/S (Non-consolidated) Dec. 31, 2004



(¥MM)

Assets		Liabilities	
Current Assets		Current Liabilities	
Cash & Time Deposits	13,174	Notes Payable	23,209
Notes receivable	10,001	Accounts Payable	60,862
Accounts receivable	82,979	Others	6,892
Marketable securities	10,248	Total Current Liabilities	90,963
Inventories	5,648	Fixed Liabilities	
Others	2,701	Accrued retirement benefits	3,934
Allowance for doubtful receivables	-628	Others	6,635
Total Current Assets	124,123	Total Fixed Liabilities	10,569
Fixed Assets		Total Liabilities	101,532
Tangible Fixed Assets	2,285	Shareholders' Equity	
Intangible Fixed Assets	2,263	Common Stock	37,581
Investments and Other Assets		Capital Surplus	40,607
Investment securities	75,190	Retained earnings	26,553
Others	9,428	Unrealized gain on securities	13,411
Allowance for doubtful accounts	-1,415	Treasury stock	-7,810
Investments and Other Assets Total	83,203	Total Shareholders' Equity	110,342
Total Fixed Assets	87,751		
Total Assets	211,874	Total Liabilities and Shareholders' Equity	211,874

Shareholders' equity ratio: 52.1% 41

B/S (Consolidated) Dec. 31, 2004

(¥MM)

Assets		Liabilities	
Current Assets		Current Liabilities	
Cash & Time Deposits	22,750	Notes & Accounts payable	90,324
Notes & Accounts receivable	105,237	Short-term debt	405
Marketable securities	10,377	Others	10,885
Inventories	6,940	Total Current Liabilities	101,614
Others	3,196	Fixed Liabilities	
Allowance for doubtful receivables	-709	Bonds & Long-term debt	728
Total Current Assets	147,791	Accrued retirement benefits	4,724
		Others	6,731
Fixed Assets		Total Fixed Liabilities	12,183
Tangible Fixed Assets	4,291	Total Liabilities	113,797
Intangible Fixed Assets	2,483		
Investments and Other Assets		Minority Interests	1,210
Investment securities	74,520	Shareholders' Equity	
Others	11,366	Common Stock	37,581
Allowance for doubtful accounts	-1,550	Capital Surplus	40,607
Total Investments and Other Assets	84,336	Retained earnings	39,337
Total Fixed Assets	91,110	Unrealized gain on securities	14,079
		Foreign currency translation adjustments	100
		Treasury stock	-7,810
		Total Shareholders' Equity	123,894
Total Assets	238,901	Total Liabilities & Shareholders' Equity	238,901

Shareholders'
equity ratio:
51.9%

Ratio of
consolidated to
non-consolidated
total assets:
1.13

Consolidated Investments as of Dec. 31, 2004

ADK

(¥MM)

Current	Money Management Funds	2,046	
	Free Financial Funds	7,558	
	Discount Nochu Bank Debentures	128	Face Value
	Bonds	549	4 issues
	Mutual Funds in Equities and Bonds	96	3 issues
	Total	10,377	
Non Current	WPP Group plc	35,831	2.64% or 31,295,646 shares
	Digital Advertising Consortium, Inc.	1,794	(27.09%) Equity Method*
	Other Publicly Traded Equities	21,583	161 issues
	Publicly Traded Equities Total	59,208	
	Non Publicly Traded Equities in Affiliated Companies	4,126	16 issues
	Non Publicly Traded Equities in Subsidiary Companies	541	26 issues
	Other Non Publicly Traded Equities	1,624	80 issues
	Non Publicly Traded Equities Total	6,291	
	Bonds	7,167	28 issues
	Mutual Funds in Equities and Bonds	1,854	24 issues
	Total Non Current Investments in Securities	74,520	
	Investments in Affiliated Companies (Non-Securities)	130	5 issues
	Investments in Funds (Non-Securities)	823	11 issues
	Total Non Current Investments	75,473	

DAC Market Value at end 2004: ¥12,496MM

Capital Expenditures/Depreciation & Amortization Expenses

Capital Expenditures

(¥MM)

Accounting Items	Non-Consolidated ADK	Consolidated Subsidiaries	Consolidated
Buildings	22	37	59
Building Improvements	-	-	-
Vehicles	13	6	19
Furniture, Fixtures & Equipments	42	45	87
Lands	-	-	-
Licenses	-	-	-
Computer Softwares	420	31	451
Others	-	-	-
Total	497	119	616

Depreciation & Amortization Expenses

(¥MM)

Accounting Items	Non-Consolidated ADK	Consolidated Subsidiaries	Consolidated
Buildings	125	80	205
Building Improvements	4	0	4
Vehicles	11	12	23
Furniture, Fixtures & Equipments	145	72	217
Lands	-	-	-
Licenses	2	46	48
Computer Softwares	746	14	760
Others	23	53	76
Total	1,056	277	1,333

Consolidated Statements of Cash Flows Dec. 31, 2004



(¥MM)

	2003	2004
OPERATING ACTIVITIES		
Income before income taxes and minority interests	7,447	9,440
Depreciation and amortization	1,408	1,333
Increase in notes and accounts receivable	-3,670	-3,193
Increase in notes and accounts payable	3,285	3,554
Net cash provided by operating activities, including others	11,513	7,301
INVESTING ACTIVITIES		
Purchases of tangible fixed assets	-345	-165
Purchases of intangible fixed assets	-657	-452
Purchases of investment securities	-2,286	-8,578
Proceeds from sales of investment securities	4,186	3,932
Net cash (used in) provided by investing activities, including others	3,867	-3,764
FINANCING ACTIVITIES		
Purchases of treasury stock - net	-455	-2,889
Dividends paid	-891	-889
Net cash used in financing activities, including others	-1,964	-3,957
FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS	-28	73
NET INCREASE IN CASH AND CASH EQUIVALENTS	13,388	-347
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	16,635	30,125
INCREASE IN CASH AND CASH EQUIVALENTS ACCOMPANYING MERGER OF SUBSIDIARIES	101	-
CASH AND CASH EQUIVALENTS, END OF YEAR	30,125	29,778

Note on Forward-looking Statements:

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