



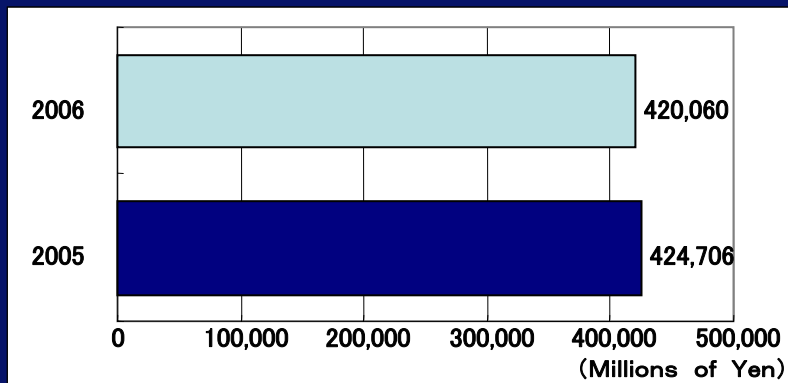
FY2006 Financial Report

**February 22, 2007
ASATSU-DK INC.**

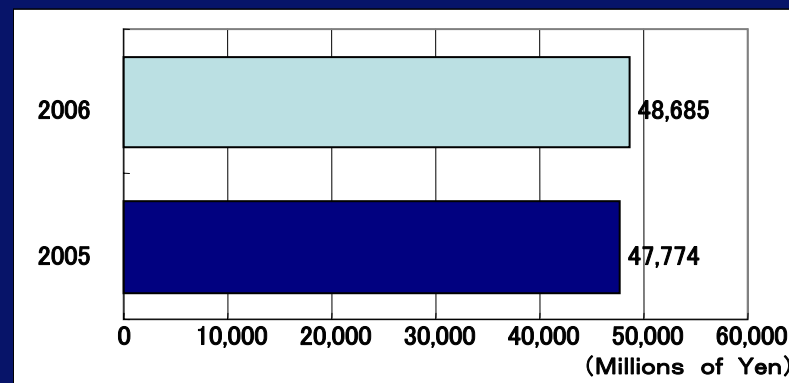
Financial Highlights (Consolidated)



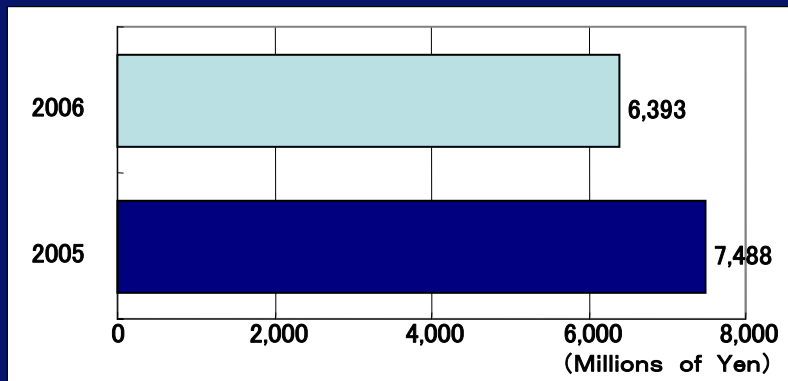
Gross Billings : ¥420,060 million
(vs. 2005 : 98.9%)



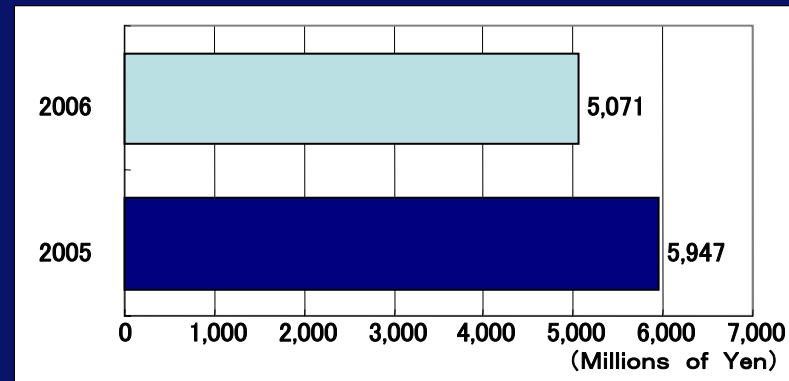
Gross Profit : ¥48,685 million
(vs. 2005 : 101.9%)



Operating Income : ¥6,393 million
(vs. 2005 : 85.4%)



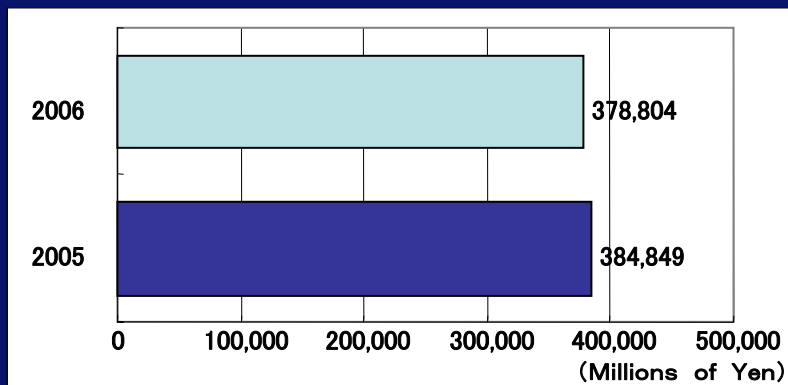
Net Income : ¥5,071 million
(vs. 2005 : 58.3%)



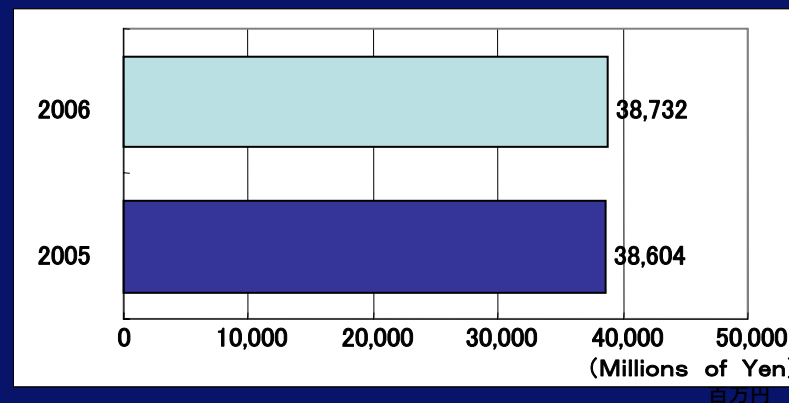
Financial Highlights (Non-Consolidated)



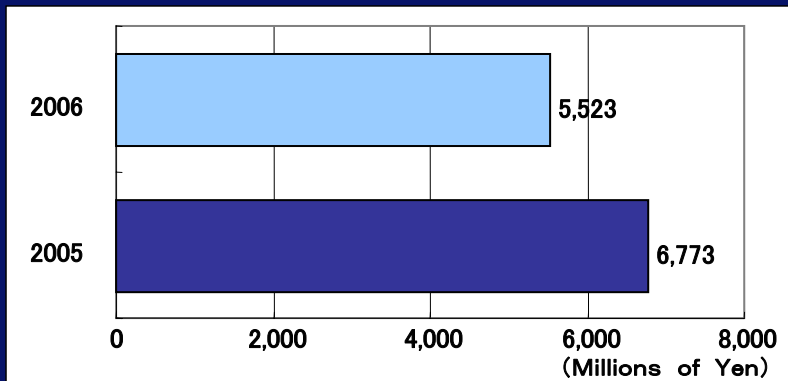
Gross Billings : ¥378,804 million
(vs. 2005 : 98.4%)



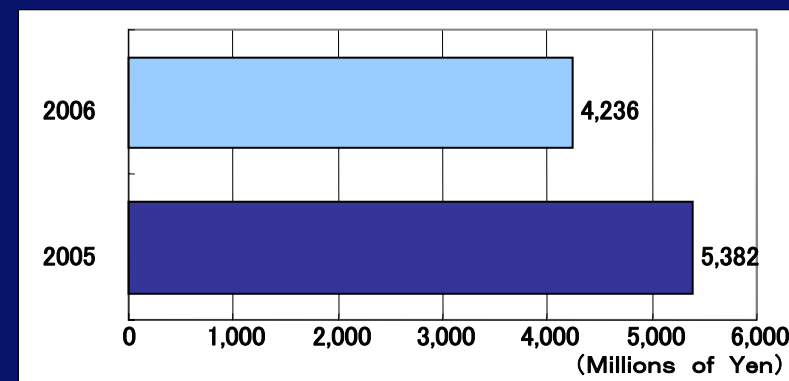
Gross Profit : ¥38,732 million
(vs. 2005 : 100.3%)



Operating Income : ¥5,523 million
(vs. 2005 : 82.0%)



Net Income : ¥4,236 million
(vs. 2005 : 78.7%)





2006 Performance of ADK Group

Japan

Consolidated Subsidiaries: 8

- Kyowa Kikaku
- ADK International
- ADK Arts
- TRI Communication
- Eiken
- Nihon Bungeisha Publishing
- Neo Shobo
- ADK Boys (New)

Equity Method Affiliates: 2

- Nippon Information Industry
- Digital Advertising Consortium

Overseas

Consolidated Subsidiaries: 12

- 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)
- ADK Thai Holding
- Asatsu Century (Shanghai) Advertising (New)

Equity Method Affiliates: 3

- ASDIK
- Guangdong Guangxu Advertising
- Shanghai Asatsu Advertising

2006 ADK Group P/L



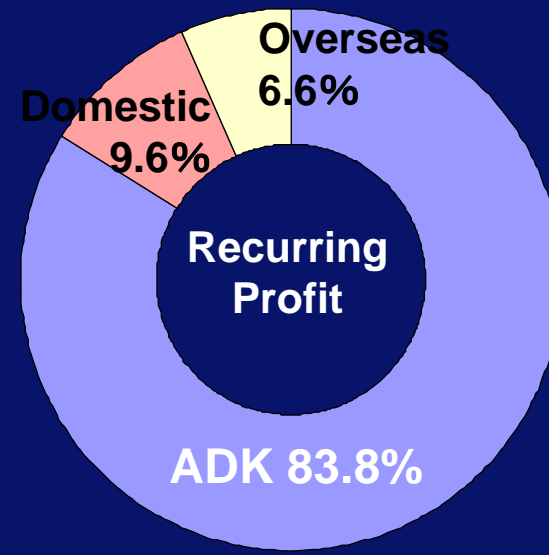
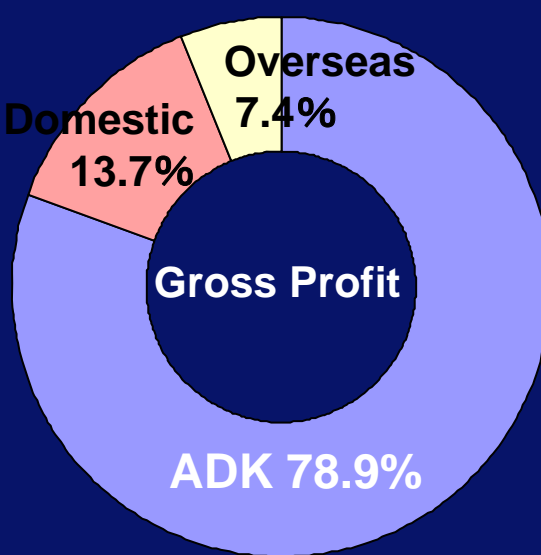
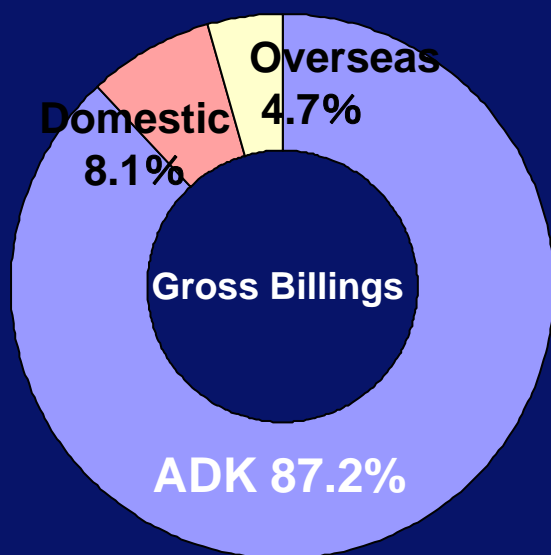
(Millions of Yen)

| | 2005 | 2006 | vs.2005 | Increase/ Decrease | Group to Parent |
|----------------------------------|--------------|--------------|---------|-----------------------|--------------------|
| Gross Billings | 424,706 | 420,060 | 98.9% | -4,646 | 1.11 |
| Gross Profit | 47,774 | 48,685 | 101.9% | 911 | 1.26 |
| Gross Profit Ratio | 11.2% | 11.6% | +0.4pt | - | - |
| SG&A Expenses | 40,286 | 42,293 | 105.0% | 2,007 | 1.27 |
| Staff Cost | 26,776 | 28,154 | 105.1% | 1,378 | 1.27 |
| Others | 13,511 | 14,139 | 104.7% | 628 | 1.27 |
| Operating Profit | 7,488 | 6,393 | 85.4% | -1,096 | 1.16 |
| Net Non-Operating Profit | 2,995 | 2,522 | 84.2% | -472 | 1.28 |
| Recurring Profit | 10,483 | 8,915 | 85.0% | -1,568 | 1.19 |
| Net Extraordinary Profit | 546 | 768 | 140.5% | 221 | 1.00 |
| Income Before Income Taxes | 11,029 | 9,683 | 87.8% | -1,346 | 1.17 |
| Income Taxes | 5,025 | 4,557 | 90.7% | -469 | 1.14 |
| Minority Interests | 56 | 55 | 98.3% | -1 | - |
| Net Income | 5,947 | 5,071 | 85.3% | -876 | 1.20 |
| Operating Margin | 15.7% | 13.1% | | | |
| Staff Cost / Gross Profit | 56.0% | 57.8% | | | |

2006 ADK Group P/L Analysis

(millions of Yen)

| 2006 | Gross Billings | vs.2005 | Gross Profit | vs.2005 | Recurring Profit | vs.2005 |
|--------------------------|----------------|--------------|---------------|---------------|------------------|--------------|
| ADK | 378,804 | 98.4% | 38,732 | 100.3% | 7,501 | 80.8% |
| Domestic Subsidiaries | 35,114 | 104.5% | 6,730 | 106.9% | 862 | 128.5% |
| Overseas Subsidiaries | 20,676 | 107.2% | 3,620 | 121.7% | 587 | 209.3% |
| Consolidation Adjustment | -14,534 | - | -396 | - | -35 | - |
| Total | 420,060 | 98.9% | 48,686 | 101.9% | 8,915 | 85.0% |



※Including exports from Japanese entities, the group's overseas sales represents 5.7% in 2006 and 5.9% in 2005.



2006 Performance of ADK

Advertising Market

ADK

FY2006 GDP Real+2.2% Nominal+1.2%

(Cabinet Office : 2007.02.15)

Advertising Expenditure +0.6%

(Dentsu : 2007.02.20)

(Millions of Yen)

| | 2006 Jan-Dec | vs.2005 |
|----------------|------------------|---------------|
| Dentsu | 1,606,759 | 103.1% |
| Hakuhodo | 714,391 | 101.3% |
| ADK | 378,804 | 98.4% |
| Daiko | 136,092 | 93.3% |
| Tokyu Agency | 123,175 | 98.8% |
| East Japan M&C | 101,993 | 106.0% |
| Yomiko | 90,522 | 88.6% |
| Asahi Ad. | 57,011 | 100.0% |
| Total | 3,208,747 | 101.0% |

2006 ADK Non-consolidated P/L

(Millions of Yen)

| | 2005 | 2006 | vs.2005 | Increase/ Decrease |
|-----------------------------------|----------------|----------------|---------------|-----------------------|
| Gross Billings | 384,849 | 378,804 | 98.4% | -6,045 |
| Gross Profit | 38,603 | 38,732 | 100.3% | 128 |
| Gross Profit Ratio | 10.0% | 10.2% | +0.2pt | - |
| SG&A Expenses | 31,871 | 33,208 | 104.2% | 1,337 |
| Staff Cost | 21,230 | 22,114 | 104.2% | 884 |
| Others | 10,640 | 11,095 | 104.0% | 454 |
| Operating Income | 6,733 | 5,523 | 82.0% | -1,210 |
| Non-Operating Income | 2,551 | 1,977 | 77.5% | -574 |
| Recurring Profit | 9,284 | 7,501 | 80.8% | -1,784 |
| Extraordinary Profit | 661 | 764 | 115.5% | 103 |
| Income Before Income Taxes | 9,945 | 8,265 | 83.1% | -1,681 |
| Income Taxes | 4,563 | 4,029 | 88.3% | -534 |
| Net Income | 5,382 | 4,236 | 78.7% | -1,147 |

| | | |
|--------------------------------|--------------|--------------|
| Operating Margin | 17.4% | 14.3% |
| Staff Cost/Gross Profit | 55.0% | 57.1% |

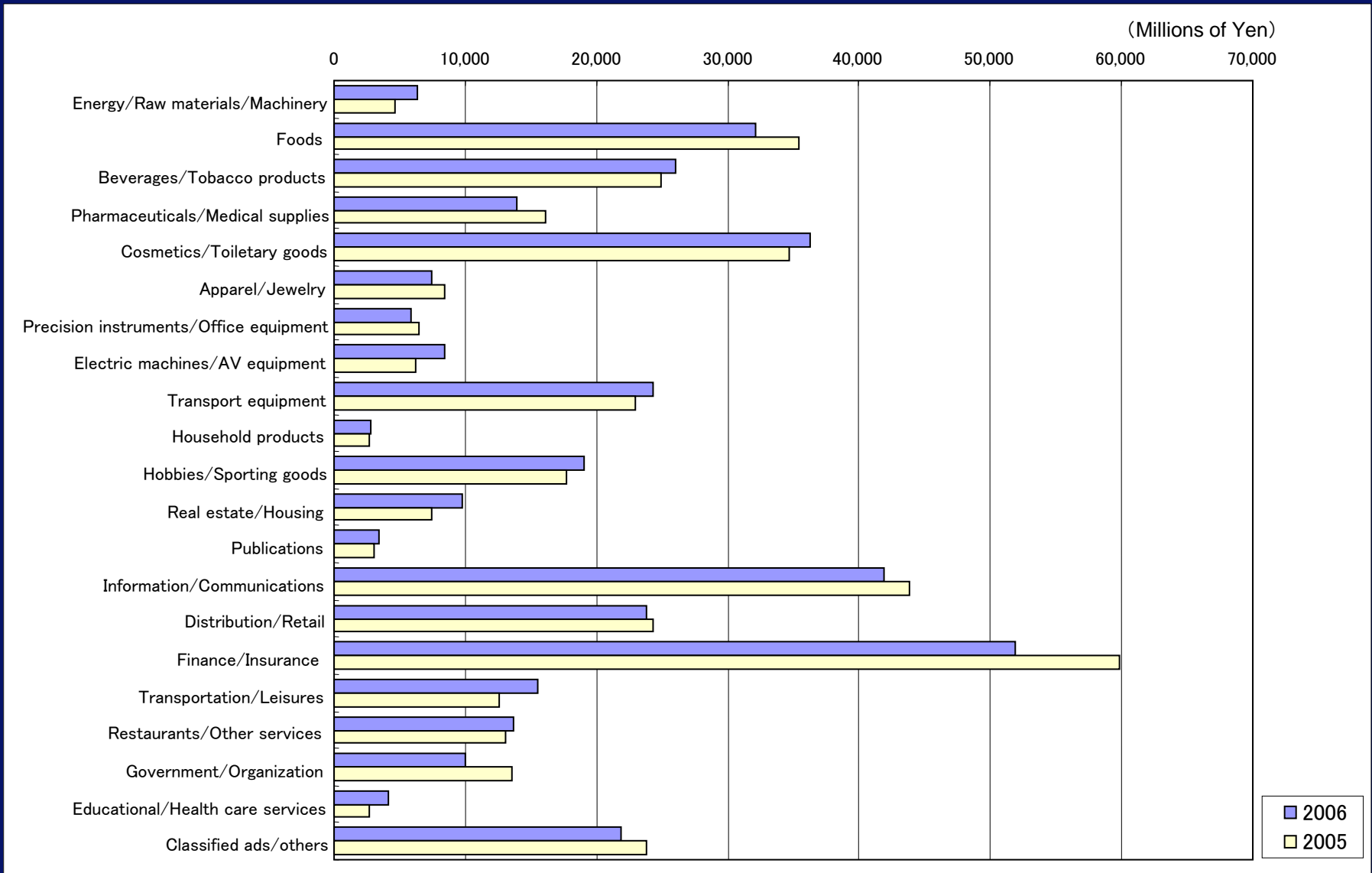
- 1. Breakdown by Industry**
- 2. Breakdown by Medium**
- 3. Growth in New Clients vs. Existing Clients**
- 4. Growth in Non-Japanese vs. Japanese Clients**
- 5. Growth in CMB vs. Brand-related Business**
※CMB・・・Central Media Buying
- 6. Headquarters Growth vs. Branch Offices Growth**

1. Gross Billings: Breakdown by Industry

(Millions of Yen)

| | Gross Billings | Composition Ratio | Increase/Decrease | vs.2005 |
|--|----------------|-------------------|-------------------|--------------|
| Energy/Raw materials/Machinery | 6,369 | 1.7% | 1,680 | 135.8% |
| Foods | 32,095 | 8.5% | -3,323 | 90.6% |
| Beverages/Tobacco products | 25,985 | 6.9% | 1,113 | 104.5% |
| Pharmaceuticals/Medical supplies | 13,925 | 3.7% | -2,243 | 86.1% |
| Cosmetics/Toiletary goods | 36,317 | 9.6% | 1,622 | 104.7% |
| Apparel/Jewelry | 7,409 | 1.9% | -1,078 | 87.3% |
| Precision instruments/Office equipment | 5,892 | 1.5% | -620 | 90.5% |
| Electric machines/AV equipment | 8,411 | 2.2% | 2,177 | 134.9% |
| Transport equipment | 24,369 | 6.4% | 1,398 | 106.1% |
| Household products | 2,871 | 0.8% | 126 | 104.6% |
| Hobbies/Sporting goods | 19,111 | 5.0% | 1,399 | 107.9% |
| Real estate/Housing | 9,795 | 2.6% | 2,367 | 131.9% |
| Publications | 3,426 | 0.9% | 411 | 113.6% |
| Information/Communications | 41,867 | 11.1% | -1,967 | 95.5% |
| Distribution/Retail | 23,847 | 6.3% | -494 | 98.0% |
| Finance/Insurance | 51,868 | 13.7% | -7,954 | 86.7% |
| Transportation/Leisures | 15,541 | 4.1% | 2,905 | 123.0% |
| Restaurants/Other services | 13,720 | 3.6% | 640 | 104.9% |
| Government/Organization | 9,973 | 2.6% | -3,645 | 73.2% |
| Educational/Health care services | 4,192 | 1.1% | 1,479 | 154.5% |
| Classified ads/others | 21,821 | 5.8% | -2,039 | 91.5% |
| Total | 378,804 | 100.0% | -6,046 | 98.4% |

1. Gross Billings: Breakdown by Industry

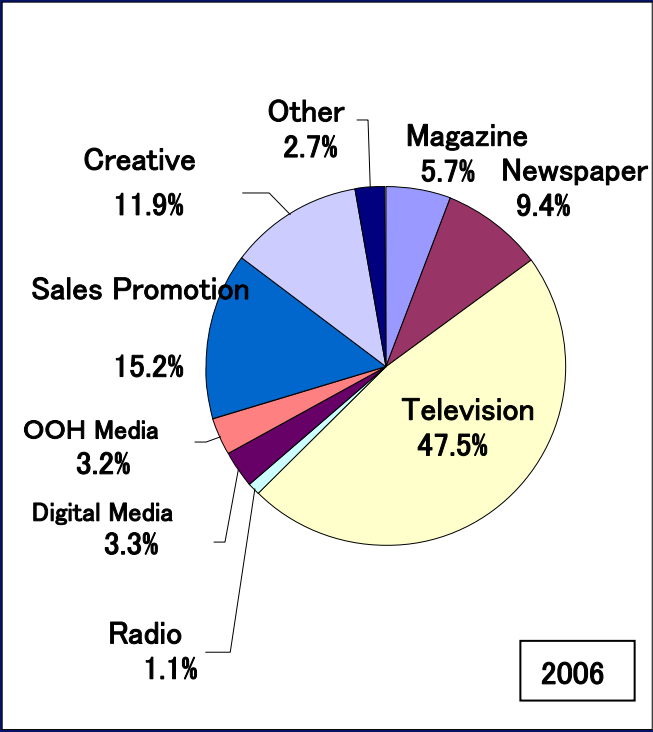
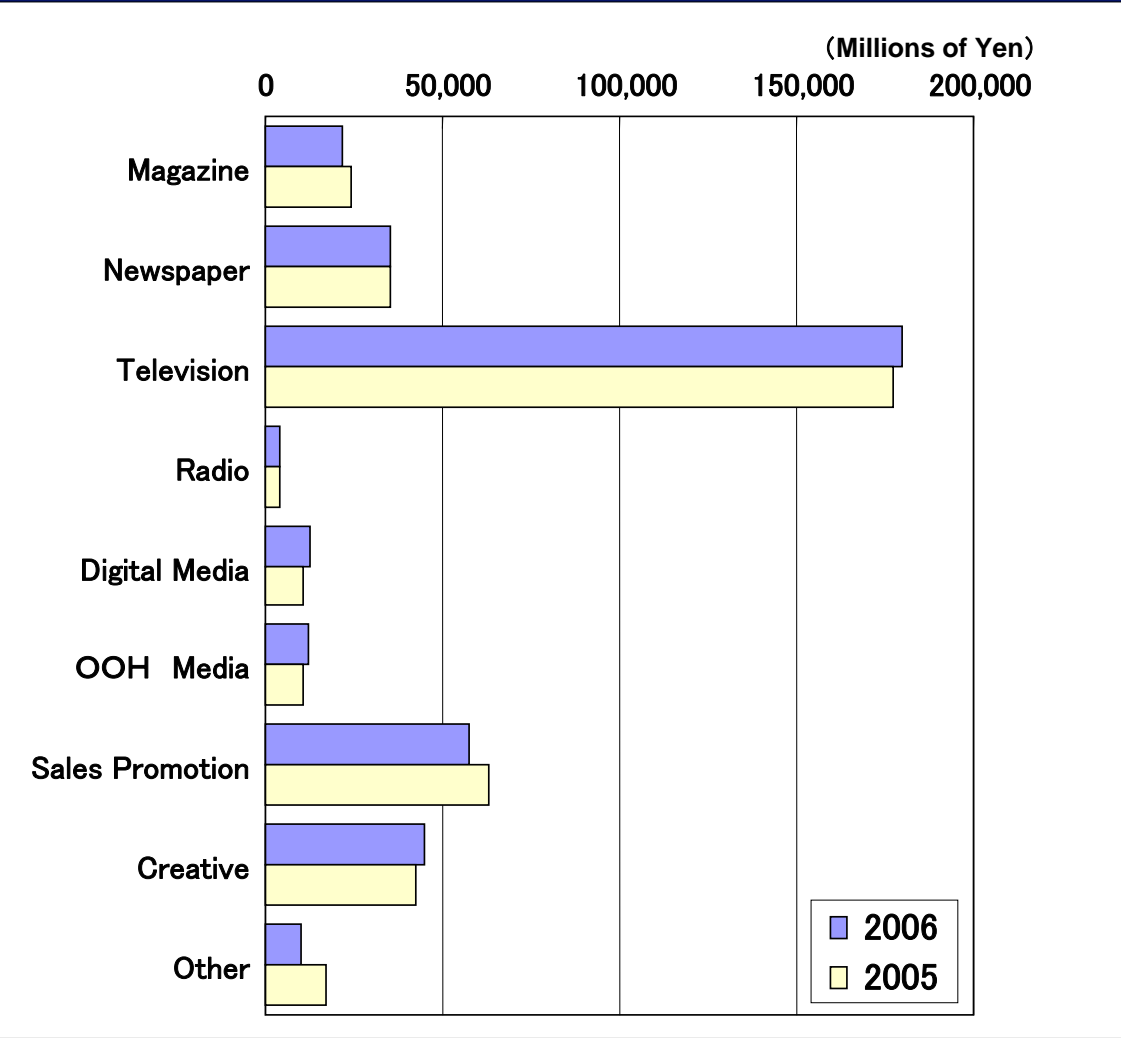


2.Gross Billings: Breakdown by Medium

(Millions of Yen)

| | ADK | | Re: Total of Top 8 Agencies | |
|-----------------|----------------|--------------|-----------------------------|---------------|
| | Gross Billings | vs.2005 | Gross Billings | vs.2005 |
| Magazine | 21,718 | 89.4 % | 157,953 | 99.5% |
| Newspaper | 35,448 | 100.2% | 396,515 | 97.8% |
| Television | 179,940 | 101.6% | 1,380,206 | 101.4% |
| Time | 66,187 | 98.7% | | |
| Spot | 99,378 | 104.0% | | |
| Content | 14,375 | 98.9% | | |
| Radio | 4,194 | 106.1% | 53,326 | 99.7% |
| Digital Media | 12,504 | 117.0% | 1,220,747 | 101.8% |
| OOH Media | 11,989 | 115.2% | | |
| Non-Media | 113,012 | 91.9% | | |
| Sales Promotion | 57,504 | 91.3% | | |
| Creative | 45,169 | 106.0% | | |
| Other | 10,338 | 59.3% | | |
| Total | 378,804 | 98.4% | 3,208,747 | 101.0% |

2. Gross Billings: Breakdown by Medium



3. Gross Billings: New Clients vs. Existing Clients

(Millions of Yen)

| | Gross Billings | Composition Ratio | vs.2005 |
|-------------------------|-----------------------|--------------------------|----------------|
| New Clients | 14,101 | 3.7% | 90.2% |
| Existing Clients | 364,703 | 96.3% | 98.8% |
| Total | 378,804 | 100.0% | 98.4% |

4. Gross Billings: International vs. Japanese Clients

(Millions of Yen)

| | Gross Billings | Composition Ratio | Vs.2005 |
|-----------------------|----------------|-------------------|---------|
| International Clients | 66,264 | 17.5% | 84.2% |
| Japanese Clients | 312,540 | 82.5% | 102.1% |
| 計 | 378,804 | 100.0% | 98.4% |

5.Gross Billings: CMB vs. Brand-related Business

(Millions of Yen)

| | Gross Billings | Composition Ratio | Vs.2005 |
|------------------------|----------------|-------------------|--------------|
| CMB | 43,006 | 11.4% | 85.0% |
| Brand-related Business | 335,798 | 88.6% | 100.5% |
| Total | 378,804 | 100.0% | 98.4% |

※CMB=Central Media Buying

A media buying method where an appointed agency handles the entire media buying business for a client with relatively smaller margins compared to the ordinary media buying business.

6.Gross Billings: Headquarters vs. Branch Offices

(Millions of Yen)

| | Gross Billings | Composition Ratio | vs.2005 |
|--------------------|----------------|-------------------|---------|
| Tokyo Headquarters | 306,269 | 80.9% | 96.0% |
| Branch Offices | 72,535 | 19.1% | 110.0% |
| Total | 378,804 | 100.0% | 98.4% |
| Osaka Branch | 30,237 | 8.0% | 119.7% |

- **Gross Billings ··· ¥378,804 million (vs. 2005: 98.4%)**

Factors

- **Completion of 2005 EXPO**
- **Decrease in CMB**
- **Sluggish ordinary transactions at headquarters**
- **Decline in Securing New Accounts**

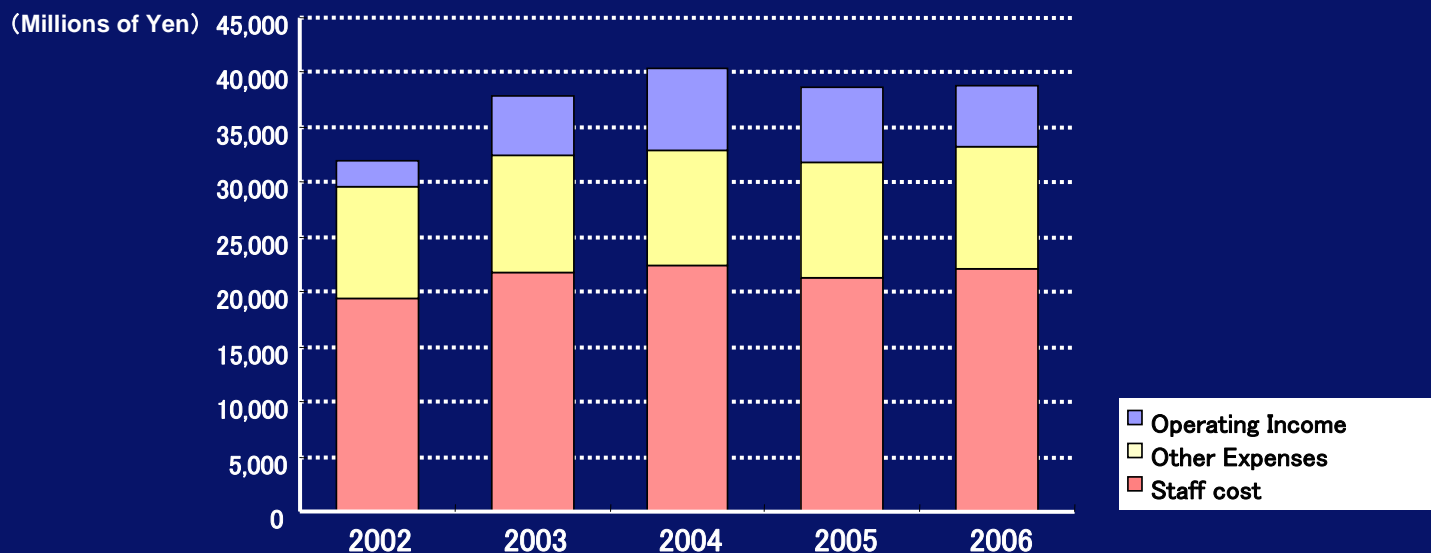
- **Gross Profit** . . . **¥38,732 million (vs. 2005: 100.3%)**
 - **Improvement of CMB profit ratio**
 - **Growth in branch offices**
- **SG&A Expenses** . . . **¥33,208 million (vs. 2005: 104.2%)**
 - **Increase in staff cost**
 - **Increase in other expenses like R&D expenses**
- **Operating Income** . . . **¥5,523 million (vs. 2005: 82.0%)**
 - **Faster increase in SG&A Expenses than in Operating Income**

Cost Analysis (Non-consolidated)



(Millions of Yen)

| | 2005 | 2006 | Increase/ Decrease | vs.2005 |
|--------------------------------|---------------|---------------|-----------------------|---------------|
| Staff Cost | 21,230 | 22,114 | 884 | 104.2% |
| Others | 10,641 | 11,095 | 454 | 104.3% |
| Total SG&A Expenses | 31,871 | 33,208 | 1,337 | 104.2% |





Forecast of 2007 ADK & ADK Group

ADK Group P/L 2002~2006 (Consolidated)

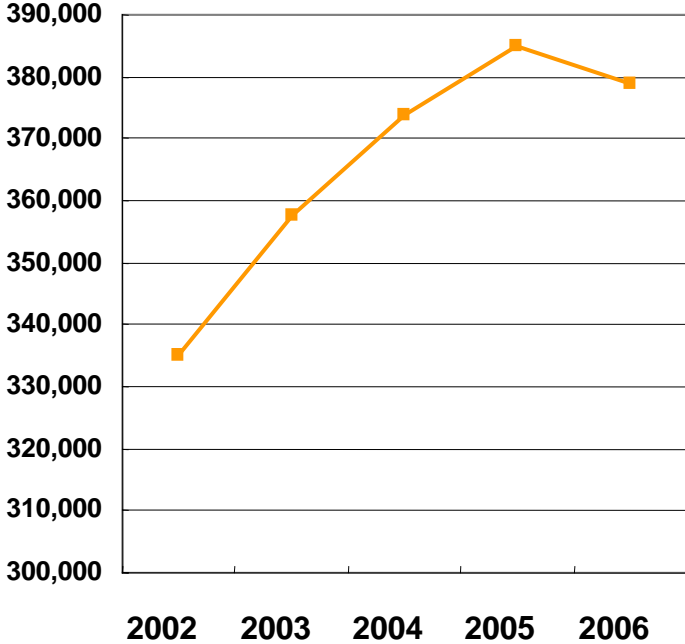
| Millions of Yen Y/Y | 2002 | 2003 | 2004 | 2005 | 2006 |
|---------------------------|---------|---------------------|---------------------|---------------------|--------------------|
| Gross Billings | 373,899 | 395,150 (105.7%) | 413,899 (104.7%) | 424,706 (102.6%) | 420,060 (98.9%) |
| Gross Profit | 41,529 | 46,883 (112.9%) | 49,079 (104.7%) | 47,774 (97.3%) | 48,685 (101.9%) |
| Gross Profit Ratio | 11.1% | 11.9% (+0.8) | 11.9% (+0.0) | 11.2% (-0.7) | 11.6% (+0.4) |
| SG&A Expenses | 37,731 | 40,466 (107.2%) | 40,819 (100.9%) | 40,286 (98.7%) | 42,293 (105.0%) |
| Operating Income | 3,798 | 6,416 (168.9%) | 8,260 (128.7%) | 7,488 (90.7%) | 6,393 (85.4%) |
| Recurring Profit | 5,191 | 8,049 (155.1%) | 10,258 (127.4%) | 10,483 (102.2%) | 8,915 (85.0%) |
| Net Income | -3,638 | 3,622 | 5,181 (143.0%) | 5,947 (114.8%) | 5,071 (85.3%) |

ADK P/L 2002~2006 (Non-consolidated)

| Millions of Yen (Y/Y) | 2002 | 2003 | 2004 | 2005 | 2006 |
|---------------------------|---------|---------------------|---------------------|---------------------|--------------------|
| Gross Billings | 334,916 | 357,598 (106.8%) | 373,897 (104.6%) | 384,849 (102.9%) | 378,804 (98.4%) |
| Gross Profit | 32,005 | 37,918 (118.5%) | 40,360 (106.4%) | 38,604 (95.6%) | 38,732 (100.3%) |
| Gross Profit Ratio | 9.6% | 10.6% (+1.0) | 10.8% (+0.2) | 10.0% (-0.8) | 10.2% (+0.2) |
| SG&A Expenses | 29,586 | 32,491 (109.8%) | 32,973 (101.5%) | 31,870 (96.7%) | 33,208 (104.2%) |
| Operating Income | 2,419 | 5,427 (224.3%) | 7,387 (136.1%) | 6,733 (91.1%) | 5,523 (82.0%) |
| Recurring Profit | 3,530 | 6,470 (183.3%) | 8,991 (139.0%) | 9,284 (103.3%) | 7,501 (80.8%) |
| Net Income | -4,049 | 2,832 | 4,655 (164.4%) | 5,382 (115.6%) | 4,236 (78.7%) |

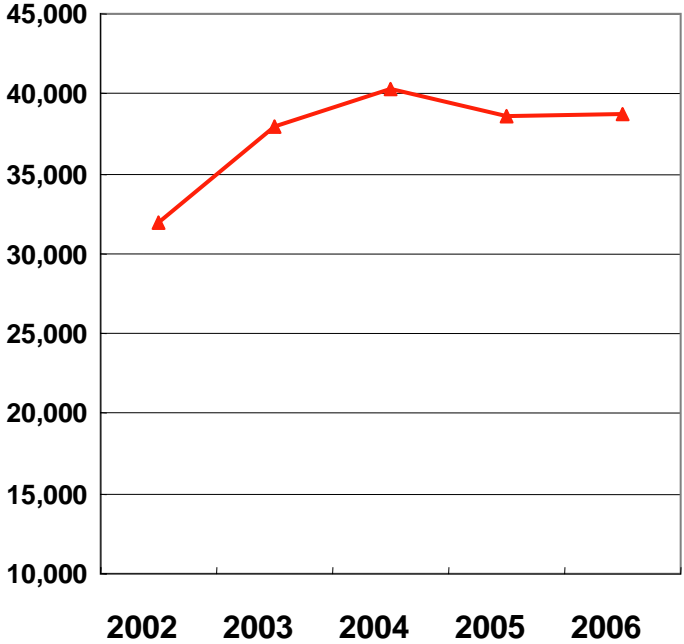
Gross Billings

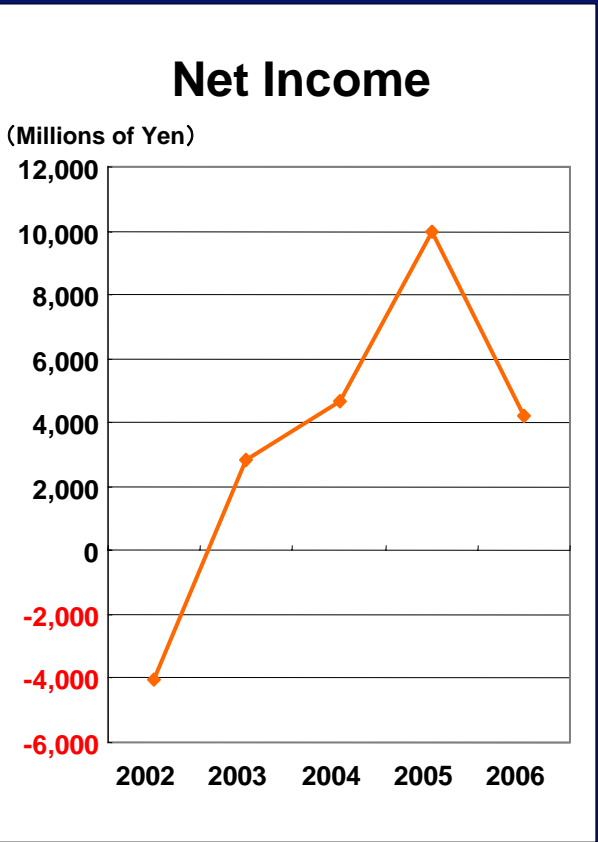
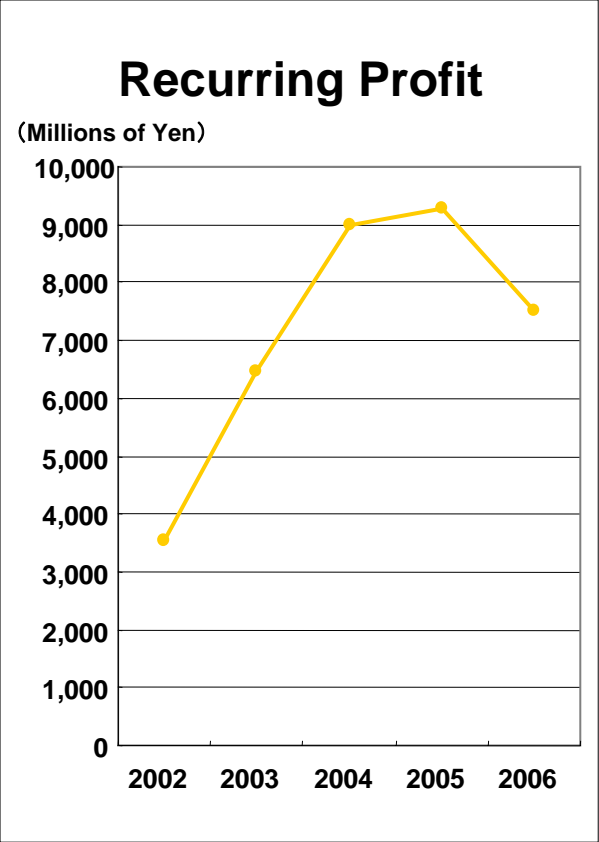
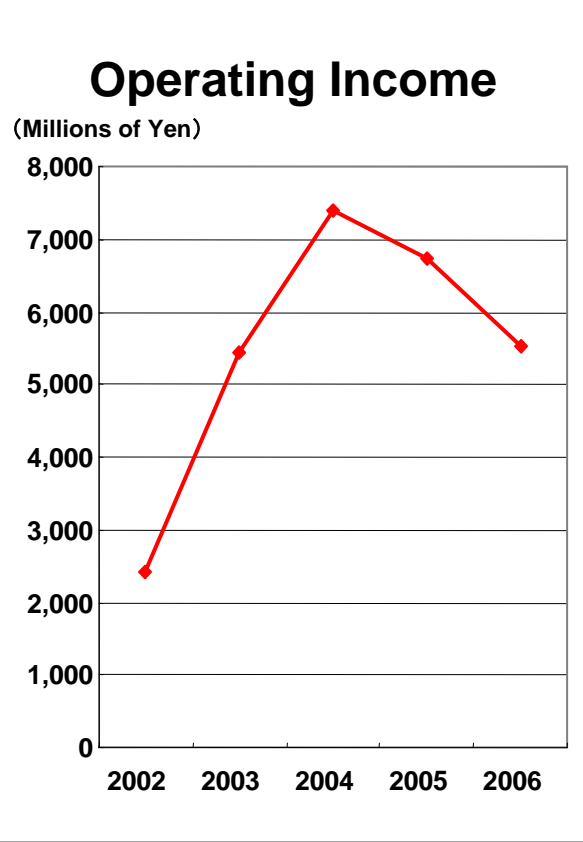
(Millions of Yen)



Gross Profit

(Millions of Yen)





Riding the updraft in 2007

**Given the negative factors in 2006...
Re-empower the sales force and
strengthen basic functions to promote
our 360-degree communications program.**

**Become the clients' trusted partner
by responding to changing market conditions.
Increase both billings and profits
by expanding ADK's share of existing clients
and by acquiring new clients.**

2006 Review

Issue

- Sluggish ordinary transactions at headquarters
 - Unsatisfactory results of new client acquisitions

- Improved CMB business

CMB =Central Media Buying
A media buying method where an appointed agency handles the entire media buying business for a client with relatively smaller margins compared to the ordinary media buying business.

2007 Goals

Challenge

- Enhance HQ sales force
 - Human resources allocation based on each client's portfolio
 - Revitalize human resources
<Knowledge + Technique × Spirit>

- Continually improve CMB business
 - Enhance negotiation power
 - Constantly boost Profit margin

2006 Review

Issue

- Sluggish content business (including anime programs)

2007 Goals

Challenge

- Improve content business as second profit generator
 - Create hit contents
 - One content source
 - Multiple applications approach
 - Enhance overseas distribution
ex. Korea : investment in Daiwan
Digital Broadcasting
 - Cultivate new contents with a view to digital distribution
ex. SUPER VISION
content distribution to mobile phones

2006 Review

Issue

- Sluggish content business

- Maintain new momentum at Japan branches

2007 Goals

Challenge

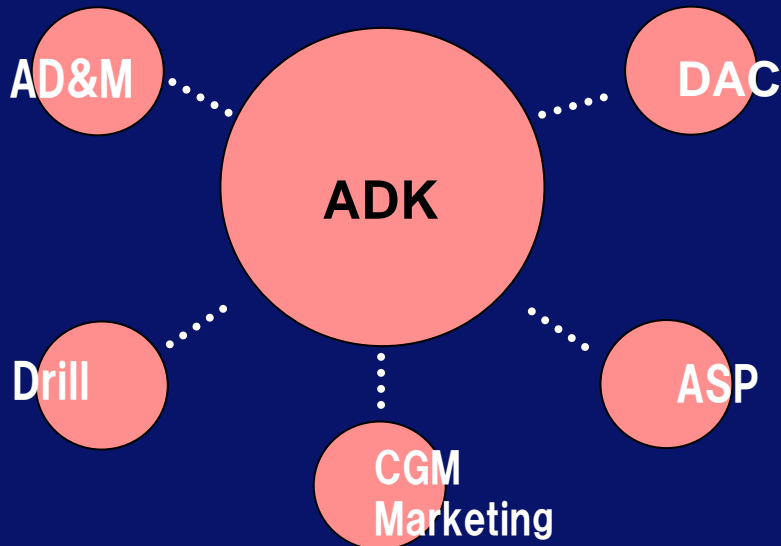
- Improve content business as second profit generator
 - Improve Sports & Cultural Entertainment
 - ex.) - International Tchaikovsky Competition
 - Kabuki in China

- Following Osaka branch, empower Nagoya Branch
- Enlarge operational size and function, with methods including M&A

Continuous Challenge

Issue

- Expand business opportunity with 360-degree communications program



Challenge

- Promote 360-degree communications program, including Internet
 - Improve ADK Interactive Div.
 - Promote joint-ventures to enhance Internet-related business
 - ASP
 - CGM Marketing
 - Enhance Cross-media planning capability
 - Enhance Sales Promotion including In-store media
 - AD&M

Continuous Challenge

Issue

- Respond to growing retail power

Challenge

- Improve Brand-Fostering Program
 - Improve EX-Branding[®]
- Proactive Participation in Direct business
 - Improve Direct Communication Division (established in 2006)

- Respond to clients' ultimate need : ROI

- Improve 360 degree-communications program
- Establish evaluation system for Advertising as an Investment

Continuous Challenge

Issue

- Investments in overseas markets

- Asia, Middle East
 - Expand ADK's network
 - Asia Regional Center (Singapore): Cultivation of network clients
 - India: Business alliance with JWT India Group (2007 Spring)
Promote joint venture project
 - Middle East: Prepare for expansion to Middle East with India office
 - China: Secure exclusive ownership of subsidiaries, with purpose of more efficient Management and improvement of profits
 - ※ Shanghai Asatsu Advertising Co., Ltd
 - ※ Asatsu Century (Shanghai) Advertising Co., Ltd.

Continuous Challenge

- Investments in overseas markets

- Europe & USA
→ Utilize the WPP Network

- Focus on group performance

- Overseas
 - Companies in China & Taiwan: En-power and improve profitability
 - Enhance Network in Europe
- In Japan
 - Strengthen Nihon Bungeisha, Kyowa Kikaku

- Cost control

- Keep operating cost growth below that of gross profit

FY2007 GDP Forecast

Real +0.8%

Nominal +2.0%

(Nikkei NEEDS)

2007 Advertising Expenditure Forecast

+1.0% ~ +2.0%

Non-Consolidated P/L 2007 Forecast

(Millions of Yen)

| | 2006 | 2007 | vs.2006 | Increase/ Decrease |
|---------------------------------|---------|---------|---------|-----------------------|
| Gross Billings | 378,804 | 391,000 | 103.2% | 12,196 |
| Gross Profit | 38,732 | 40,700 | 105.1% | 1,968 |
| Gross Profit Ratio | 10.2% | 10.4% | +0.2pt | - |
| SG&A Expenses | 33,208 | 33,900 | 102.1% | 692 |
| Staff Cost | 22,114 | 22,400 | 101.3% | 286 |
| Other | 11,095 | 11,500 | 103.7% | 405 |
| Operating Income/Loss | 5,523 | 6,800 | 123.1% | 1,277 |
| Non-Operating Income/Expense | 1,977 | 2,000 | 101.1% | 23 |
| Recurring Profit | 7,501 | 8,800 | 117.3% | 1,299 |
| Extraordinary Profit/Loss | 764 | 1,000 | 130.9% | 236 |
| Income Before Taxes | 8,265 | 9,800 | 118.6% | 1,535 |
| Income Taxes | 4,029 | 4,500 | 111.7% | 471 |
| Net Income | 4,236 | 5,300 | 125.1% | 1,064 |
| Operating Margin | 14.3% | 16.7% | | |
| Staff Cost / Gross Profit | 57.1% | 55.0% | | |

Consolidated P/L 2007 Forecast

(Millions of Yen)

| | 2006 | 2007 | vs.2006 | Increase/ Decrease | Group to Parent Ratio |
|--|---------|---------|---------|-----------------------|--------------------------|
| Gross Billings | 420,060 | 436,700 | 104.0% | 16,640 | 1.12 |
| Gross Profit | 48,685 | 51,200 | 105.2% | 2,515 | 1.26 |
| Gross Profit Ratio | 11.6% | 11.7% | +0.1pt | - | - |
| SG&A Expenses | 42,293 | 43,500 | 102.9% | 1,207 | 1.28 |
| Staff Cost | 28,154 | 28,900 | 102.7% | 746 | 1.29 |
| Other | 14,139 | 14,600 | 103.3% | 461 | 1.27 |
| Operating Income | 6,393 | 7,700 | 120.5% | 1,307 | 1.13 |
| Non-Operating Income/Expense | 2,522 | 2,400 | 95.1% | -122 | 1.20 |
| Recurring Profit | 8,915 | 10,100 | 113.3% | 1,185 | 1.15 |
| Extraordinary Profit/Loss | 768 | 1,000 | 130.3% | 232 | 1.00 |
| Income Before Income Taxes and Minority Interests | 9,683 | 11,100 | 114.6% | 1,417 | 1.13 |
| Income taxes and Minority Interests | 4,612 | 4,970 | 107.8% | 358 | 1.10 |
| Net Income | 5,071 | 6,130 | 120.9% | 1,059 | 1.16 |
| Operating Margin | 13.1% | 15.0% | | | |
| Staff Cost / Gross Profit | 57.8% | 56.4% | | | |

The logo consists of a dark blue square containing the letters 'ADK' in a white, italicized serif font.

ADK

Mid-Term Goal

1st Mid-term Objectives (2002~2004)

Theme : Operational Efficiency

Indicators : Operating Margin 15%

Staff Cost / Gross Profit 55%

| Goal | 2004 | | 2005 | | 2006 | |
|--------------------|------------------|--------------|------------------|--------------|------------------|--------------|
| | Non-consolidated | Consolidated | Non-consolidated | Consolidated | Non-consolidated | Consolidated |
| Operating Margin ※ | 15% | 16.8% | 17.4% | 15.7% | 14.3% | 13.1% |
| Staff Cost / GP | 55% | 55.7% | 55.0% | 56.0% | 57.1% | 57.8% |

※Operating Margin=Operating Income/Gross Profit

2nd Mid-term Objectives (2005~2007)

Theme : Sustainable growth in addition to operational efficiency

Indicators : EPS Growth

— increase net profits and continue stock buybacks

EPS over ¥130 in 2007

Transition of EPS (Net of Treasury Stock)



| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|--------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Shares Bought Back | - | - | 1,000,000 | 1,000,000 | 211,600 | 958,300 | 500,000 | 850,000 |
| Outstanding Shares at Year End | 51,655,400 | 51,652,821 | 50,652,769 | 49,640,893 | 49,425,148 | 48,458,828 | 47,952,849 | 47,096,993 |

1. Return to shareholders

- **Dividend payout ratio 25% → 35%**
2007 Net Income forecast ¥6,130 millions
Dividend : ¥46
- **Share buy back**

2. Management Target

- **EPS : ¥130**
- **Operating indicators :**
Operating margin 15% and above



Appendix

2007 Non-consolidate P/L (1st Half:2nd Half)

(Millions of Yen)

| | 2007 Forecast | 1H | vs.2006 | 2H | vs.2006 |
|---------------------------|---------------|---------|---------|---------|---------|
| Gross Billings | 391,000 | 199,500 | 102.5% | 191,500 | 104.0% |
| Gross Profit | 40,700 | 20,700 | 102.8% | 20,000 | 107.6% |
| Gross Profit Ratio | 10.4% | 10.4% | +0.1pt | 10.4% | +0.3pt |
| SG&A expenses | 33,900 | 16,700 | 102.1% | 17,200 | 102.1% |
| Staff Cost | 22,400 | 11,285 | 101.9% | 11,115 | 100.7% |
| Other | 11,500 | 5,415 | 102.6% | 6,085 | 104.6% |
| Operating Income/Loss | 6,800 | 4,000 | 105.7% | 2,800 | 161.0% |
| Non-Operating Income | 2,000 | 1,170 | 97.2% | 830 | 107.2% |
| Recurring Profit | 8,800 | 5,170 | 103.7% | 3,630 | 144.4% |
| Extraordinary Profit/Loss | 1,000 | 790 | 89.8% | 210 | -181.1% |
| Income before taxes | 9,800 | 5,960 | 101.6% | 3,840 | 160.2% |
| Income Taxes | 4,500 | 2,740 | 102.9% | 1,760 | 128.7% |
| Net Income | 5,300 | 3,220 | 100.4% | 2,080 | 201.9% |

2007 Consolidate P/L (1st Half:2nd Half)

(Millions of Yen)

| | 2007 Forecast | 1H | vs.2006 | 2H | vs.2006 |
|---|---------------|---------|---------|---------|---------|
| Gross Billings | 436,700 | 220,000 | 102.9% | 216,900 | 105.1% |
| Gross Profit | 51,200 | 25,500 | 102.3% | 25,700 | 108.1% |
| Gross Profit Ratio | 11.7% | 11.6% | -0.1pt | 11.9% | +0.4pt |
| SG&A expenses | 43,500 | 21,400 | 103.6% | 22,100 | 102.2% |
| Staff Cost | 28,900 | 14,600 | 105.1% | 14,300 | 100.3% |
| Other | 14,600 | 6,800 | 100.5% | 7,800 | 105.8% |
| Operating Income/ | 7,700 | 4,100 | 96.4% | 3,600 | 168.1% |
| Non-Operating Income | 2,400 | 1,300 | 96.2% | 1,100 | 93.9% |
| Recurring Profit | 10,100 | 5,400 | 96.4% | 4,700 | 141.9% |
| Extraordinary Profit/ | 1,000 | 780 | 106.8% | 220 | 587.1% |
| Income before Income Taxes and Minority Interests | 11,100 | 6,180 | 97.6% | 4,920 | 146.9% |
| Income Taxes and Minority Interest | 4,970 | 3,000 | 104.9% | 1,970 | 112.5% |
| Net Income | 6,130 | 3,180 | 91.6% | 2,950 | 184.5% |

B/S (Non-consolidated) Dec 31,2006



(Millions of Yen)

| Assets | | Liabilities | |
|------------------------------------|----------------|---|---------|
| Current Assets | | Current Liabilities | |
| Cash & Time Deposits | 11,098 | Notes Payable-trade | 21,083 |
| Notes Receivable-trade | 8,261 | Accounts Payable-trade | 57,811 |
| Accounts Receivable-trade | 81,445 | Other Current Liabilities | 5,913 |
| Marketable Securities | 4,446 | Total Current Liabilities | 84,807 |
| Inventories | 5,478 | Long-term Liabilities | |
| Other Current Assets | 3,161 | Accrued Retirement Benefits | 931 |
| Allowance for Doubtful Receivables | -628 | Other | 17,206 |
| Total Current Assets | 113,261 | Total Long-term Liabilities | 18,137 |
| Fixed Assets | | Total Liabilities | 102,944 |
| Tangible Fixed Assets | 1,931 | Net Assets | |
| Intangible Fixed Assets | 1,424 | Shareholder's Equity | |
| Investments and Other Assets | | Common Stock | 37,581 |
| Investment securities | 101,162 | Capital Surplus | 40,608 |
| Other Assets | 9,608 | Retained Earnings | 33,362 |
| Allowance for Doubtful Accounts | -1,088 | Treasury Stock-at cost | -12,974 |
| Total Investments and Other Assets | 110,682 | Total Valuation and Translation Adjustments | 25,778 |
| Total Fixed Assets | 114,038 | Total Net Assets | 124,355 |
| | | | |
| Total Assets | 227,299 | Total Liabilities and Shareholders' Equity | 227,299 |

Shareholders' equity ratio: 54.5%

B/S (Consolidated) Dec.31,2006



(Millions of Yen)

| Assets | | Liabilities | |
|------------------------------------|---------|--|---------|
| Current Assets | | Current Liabilities | |
| Cash & Time Deposits | 22,146 | Notes & Accounts Payable-trade | 84,449 |
| Notes & Accounts Receivable-trade | 100,908 | Short-term Debt | 344 |
| Marketable Securities | 5,213 | Other | 11,433 |
| Inventories | 7,980 | Total Current Liabilities | 96,226 |
| Other Current Asetts | 3,396 | Long-term Liabilities | |
| Allowance for Doubtful Accounts | -760 | Long-term Debt | 109 |
| Total Current Assets | 138,883 | Accrued Retirement Benefits | 1,694 |
| Fixed Assets | | Other | 17,338 |
| Tangible Fixed Assets | 3,869 | Total Long-term Liabilities | 19,141 |
| Intangible Fixed Assets | 1,558 | Total Liabilities | 115,367 |
| Investments and Other Assets | | Net Assets | |
| Investment Securities | 102,019 | Shareholders' Equity | |
| Other | 11,602 | Common Stock | 37,581 |
| Allowance for Doubtful Accounts | -1,176 | Capital Surplus | 40,608 |
| Total Investments and Other Assets | 112,445 | Retained Earnings | 47,671 |
| Total Fixed Assets | 117,872 | Treasury Stock-at cost | -12,974 |
| | | Total Shareholders' Equity | 112,886 |
| | | Valuation and Translation Adjustment | |
| | | Unrealized Gain on available-for-sale Securities | 26,677 |
| | | Foreign Currency Translation Adjustments | 774 |
| | | Deferred Hedge Profit and Loss | 2 |
| | | Total Valuation and Translation Adjustment | 27,453 |
| | | Minority Interests | 1,049 |
| | | Total Net Assets | 141,388 |
| Total Assets | 256,755 | Total Liabilities and Net Assets | 256,755 |

Shareholder's equity ratio: 54.7% 47

Consolidated Statement of Cash flow 2006

(Millions of Yen)

| | 2005 | 2006 |
|---|--------|--------|
| OPERATING ACTIVITIES | | |
| Income before income taxes and minority interests | 11,029 | 9,683 |
| Depreciation and amortization | 1,246 | 1,205 |
| Decrease (increase) in notes and accounts receivable | 3,071 | 2,893 |
| Increase (decrease) in notes and accounts payable | -5,126 | -1,963 |
| Net cash provided by operating activities including others | 190 | 7,507 |
| INVESTING ACTIVITIES | | |
| Purchases of tangible fixed assets | -189 | -190 |
| Purchases of intangible fixed assets | -337 | -401 |
| Purchases of investment securities | -8,452 | -5,454 |
| Proceeds from sales of investment securities | 4,150 | 3,754 |
| Net cash (used in) provided by investing activities including others | -5,202 | -3,191 |
| FINANCING ACTIVITIES | | |
| Purchases of treasury stock - net | -1,880 | -3,283 |
| Dividends paid | -1,018 | -1,721 |
| Net cash used in financing activities including others | -3,129 | -5,300 |
| FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS | 281 | 560 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | -7,860 | -423 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | 29,778 | 21,938 |
| INCREASE IN CASH AND CASH EQUIVALENTS OF NEWLY CONSOLIDATED SUBSIDIARY | 20 | 417 |
| CASH AND CASH EQUIVALENTS, END OF YEAR | 21,938 | 21,932 |

Consolidated Investments as of Dec 31,2006



(Millions of Yen)

| | | | |
|--------------------|---|----------------|----------------------------------|
| Current | Money Management Funds | 2,069 | |
| | Free Financial Funds | 72 | |
| | Discount Nochu Bank Debentures | - | |
| | Bonds | 2,317 | 7 issues |
| | Mutual Funds in Equities and Bonds | 755 | 8 issues |
| | Total | 5,213 | |
| Non Current | WPP Group plc | 50,493 | 31,295,646shares or 2.50% |
| | Digital Advertising Consortium, Inc. | 2,162 | Equity Method |
| | Other Publicly Traded Equities | 31,967 | 149 issues |
| | Publicly Traded Equities Total | 84,622 | |
| | Non Publicly Traded Equities in Affiliated Companies | 4,312 | 19 issues |
| | Non Publicly Traded Equities in Subsidiary Companies | 522 | 24 issues |
| | Other Non Publicly Traded Equities | 1,535 | 78 issues |
| | Non Publicly Traded Equities Total | 6,369 | |
| | Bonds | 10,631 | 38 issues |
| | Mutual Funds in Equities and Bonds | 397 | 8 issues |
| | Total | 102,019 | |
| | Investments in Affiliated Companies (Non-Securities) | 214 | 6 issues |
| | Investments in Funds (Non-Securities) | 11 | 3 issues |
| | Total Non Current Investments | 102,244 | |

* DAC market value at end of December 2006: ¥8,344MM

Capital Expenditures/Depreciation & Amortization Expenses

Capital Expenditures

(Millions of Yen)

| Accounting Items | Non-consolidated ADK | Consolidated Subsidiaries | Consolidated |
|---------------------------------|-------------------------|------------------------------|--------------|
| Buildings | 30 | 24 | 54 |
| Buildings Improvements | - | - | - |
| Vehicles | 23 | 7 | 30 |
| Furniture, Fixture & Equipments | 28 | 78 | 106 |
| Land | - | - | - |
| Computer Software | 366 | 33 | 399 |
| Other | - | 3 | 3 |
| Total | 447 | 145 | 592 |

Depreciation & Amortization Expenses

(Millions of Yen)

| Accounting Items | Non-consolidated ADK | Consolidated Subsidiaries | Consolidated |
|---------------------------------|-------------------------|------------------------------|--------------|
| Buildings | 94 | 61 | 155 |
| Buildings Improvements | 4 | 0 | 4 |
| Vehicles | 10 | 15 | 25 |
| Furniture, Fixture & Equipments | 85 | 97 | 182 |
| Business Right | - | 52 | 52 |
| Computer Software | 763 | 20 | 783 |
| Other | 1 | 3 | 4 |
| Total | 957 | 248 | 1,205 |

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.