Revised of February 18, 2010

NEWS RELEASE

ASATSU-DK INC.
Corporate Communications Group
1-13-1 Tsukiji, Chuo-ku, Tokyo, 104-8172 JAPAN
Phone +81-3-3547-2003 Fax +81-3-3547-2345 www.adk.jp

ADK

FOR IMMEDIATE RELEASE

February 12, 2010

ASATSU-DK Announces Year-End 2009 Results

- **Unaudited Consolidated Gross Billings down 12.3% to ¥ 350.2 billion**
- **Gross Margin Ratio lowered to 11.8%**
- **Gross Profit Down 15.8% to ¥ 41.3 billion**
- **Operating Loss with ¥ 0.7 billion**
- **Net Income Down 96.5% to ¥ 73 million**
- **0.5 million Shares Bought-back for ¥ 0.8 billion**
- **EPS down to ¥ 1.73**
- **Annual Dividend Announced at ¥ 20 per share**

1. Summary of Results

ASATSU-DK INC. ("ADK"); President and Group CEO: Koichiro Naganuma; Securities Code: 9747; Tokyo Stock Exchange-1) today announced its unaudited consolidated financial results for the year ended December 31, 2009. Under the severe recession, the ADK group ended up with smaller gross billings of ¥350.2 billion. Due to tough competition the gross margin ratio fell and gross profits decreased by 15.8% to ¥ 41.3 billion. Because of limited flexibility in reduction of operating expenses and provision of an allowance for doubtful receivables of ¥ 0.7 billion, an operating loss of ¥ 0.7 billion was reported. Equity-method affiliates were less profitable. Recurring profits were down by 79.5% at ¥ 1.0 billion. After extraordinary profits and losses, Net Income decreased to ¥ 73 million. EPS was a disappointing ¥ 1.73, but the annual dividend was announced at ¥ 20 per share under the distribution policy with a floor at ¥ 20 per share. ADK acquired 0.5 million shares or 1.2% of the issued and outstanding shares during 2009. Investment securities increased to ¥ 53.2 billion mainly because of an increase in stock prices and the group regained an unrealized gain of ¥ 4.9 billion on available-for-sale securities after setting aside deferred tax liabilities. With 56.0% net worth ratio and little leverage, the group maintains strong financial stability. Consolidated financial highlights are provided in Appendix 1.

Gross billings totaled ¥ 350,211 million, for a negative 12.3% year-on-year growth rate amid the continuing significant recession in both Japanese domestic and overseas markets.

Gross margins deteriorated because of harder competition and writing-off of older-than-two-year investments in animation content. As a result, gross profit totaled ¥ 41,367 million, a 15.8% year-on-year decrease and a 0.5 point decrease in the gross margin ratio. An operating loss of ¥ 756 million was reported because of the smaller gross profits and the provision of a large allowance for doubtful accounts in ¥ 785 million, even though the group tried hard to absorb the shrink in markets by controlling operating expenses. Staff costs to gross profits totaled 67.0%. A discussion of management's targets follows.

The ADK group incurred equity in earnings of affiliates-net at ¥ 126 million, because Digital Advertising Consortium Inc., a publicly traded internet media buying rep, and Nippon Information Industry Corp., a privately held IT service company, performed less profitably. Please note that ADK has disposed of its stake in NII for ¥ 2.5 billion as of February 12, 2010, and NII, a non-core asset for the ADK group, is no longer an affiliate of the group. Dividend income decreased because of appreciation of the Yen and the sale of equities. As a result, recurring profit was ¥ 1,094 million, down 79.5%. Extraordinary Profits and Losses for the period were ¥364 million and ¥ 1,116 million, respectively. Income before income taxes and minority interests totaled ¥ 343 million, and after deductions of ¥ 236 million in income taxes and ¥ 32 million in minority interest, net income was ¥ 73 million, a 96.5% decrease. Net income per share totaled ¥ 1.73. Consolidated income statement information is provided in **Appendix 2.**

The ADK group has been working hard to achieve the following management targets as part of its mid-term plan:

Fiscal Year	2006	2007	2008	2009	Objective
Operating Margin	13.1%	13.8%	7.5%	(1.8%)	10.0%
Staff Cost to Gross Profit	57.8%	57.8%	62.4%	67.0%	60.0%
Operating Income Growth (Decrease)	(14.6%)	11.6%	(48.1%)	(120.5%)	TBD

We worry that the recessions in Japanese domestic and overseas markets will continue for some time and wallets for communication expenses at major advertising clients may remain closed. Under this difficult situation, we must focus on generating operating income and controlling staff costs, keeping sufficient financial stability for smooth operations and future business investments. Therefore, the Operating Margin and Staff Cost to Gross Profit ratio should be prioritized over other management indices. The new and modest targets are set as in the above table.

Consolidated EPS and ROE:

FY	2006	2007	2008	2009
EPS (Yen)	106.62	116.40	48.14	1.73
ROE (%)	3.7	3.9	1.8	0.1

The number of the employees at the end of 2009 saw a decrease of 25 from the FY 2008 year-end, and was 3,239. Out of 3,239 officers and employees, 3,162 are engaged in the advertising business and the parent company employs 2,060.

2. Dividend Distribution and Share Buy-back

ADK's dividend distribution policy, set in February 2007, is that 35% of consolidated net income would be distributed through common dividends with a minimum annual dividend of ¥ 20 per share. ADK keeps semi-annual dividend distributions instead of quarterly dividend distributions in order to save on operational costs.

In spite that the ADK group suffered disappointing net income, under the shareholders distribution policy, ADK announced ¥ 10 per share year-end dividend, making total annual dividend ¥ 20 per share as shown below:

FY 2009 Dividend	Interim Dividend	Year-end Dividend	Total Annual Dividend
Dividend Per share	¥10	¥10	¥20
Record Date	Jun. 30, 2009	Dec. 31, 2009	
Disbursement Date	Sep. 14, 2009	Mar.12, 2010	

In addition to cash dividends, ADK has been acquiring its own stock since 2001 to improve EPS by reducing the number of shares outstanding and curtailing the growth of equity. ADK's board resolved to acquire 0.5 million shares and together with net-acquisition of less-than-unit shares, the total acquisition of treasury stocks amounted to ¥ 882 million.

For FY 2010, we forecast that an interim dividend and year-end dividend will be ¥ 10 per share each, making total annual dividend ¥ 20 per share. ADK does not plan to acquire its treasury stocks to keep financial stability and future business investments for growth and competitiveness in the changing communications business.

3. Detailed Review of Operations

① Advertising Business

The group's advertising business generated gross billings of ¥342,925 million, registering a negative 12.3% year-on-year growth, while segment operating loss was reported at ¥ 618 million over the same period. Further segment information is provided in **Appendix 6**.

Since all of ADK's unconsolidated gross billings and income are generated from the advertising business, and those unconsolidated gross billings of ¥ 310,970 million (13.3% year-on-year decline) represent 90.7% of gross billings generated by the advertising business segment, for investors information, unconsolidated performance will be reviewed as follows:

- Unconsolidated Performance by Discipline:

Breakdown by Discipline		Gross Billings (Millions of yen)	Composition %	Y-o-Y change %
Media	Magazine	16,865	5.4	(29.0)
	Newspaper	21,636	7.0	(28.8)
	TV (Program, Spot, and Content)	149,776	48.2	(7.8)
	Radio	2,967	1.0	(20.0)
	Digital Media	13,115	4.2	(2.6)
	OOH Media	8,236	2.6	(31.9)
Sub-total		212,598	68.4	(13.5)
Non-Media	Sales Promotion	49,500	15.9	(13.8)
	Creative and Others	48,871	15.7	(11.7)
Sub-total		98,371	31.6	(12.8)
Total		310,970	100.0	(13.3)

Gross billings from Magazine advertising decreased due to tighter budgets at international brands in Apparel/Jewelry sector with 29.0% year-on-year negative growth to ¥ 16,865 million.

Gross billings from advertising from Newspapers suffered a decline by negative 28.8% year-on-year with smaller gross billings to clients in Finance/Insurance and Automobiles / Automobile-Related Products sector, although we acquired new clients in Pharmaceuticals / Medical Supplies and Distribution/Retail. As a result, gross billings for Newspaper ads were ¥ 21,636 million.

Gross billings from Television advertising decreased relatively modestly by 7.8% year-on-year to ¥ 149,776 million. We kept focusing on profitability over size of gross billings. Program TV sales decreased due to smaller businesses with clients in Finance/Insurance and Distribution/Retail sectors, although business with clients in Foods and Beverages / Tobacco Products sectors performed relatively well. Spot TV sales decreased also due to smaller business with clients in Finance/Insurance and Hobbies/Sporting Goods sectors, even though business with clients in Cosmetics/Toiletry, Foods, Transportation/Leisure sectors performed relatively well. We tried to promote sales from our content business by developing digital animation distribution sites on PCs and mobiles, investments in new characters, and promotion of events. However, overseas sales from existing content declined.

Gross billings from advertising on Radio decreased to ¥ 2,967 million, for a year-on-year negative growth of 20.0%, due to decline in business with clients in Automobiles / Automobile-Related Products sector.

Gross billings from advertising on Digital Media did not grow either, although we tried to take advantages of our capital and strategic alliances with Glam Media Inc.'s Japanese subsidiary to promote marketing on women and DA search and link, Inc. to obtain competitiveness in Search Engine Marketing of Internet advertising. We generated gross billings of ¥ 13,115 million, a 2.6% year-on-year decrease from this media.

Gross billings from advertising on Out-of-Home Media decreased to ¥ 8,236 million, or 31.9% year-on-year decline, although we promoted cross-media solutions and development of in-sore media, and obtained larger business overseas, because business with clients in Restaurants/Other Services and Information/Communications sectors declined.

Our gross billings from Sales Promotion business decreased to ¥ 49,500 million or 13.8% negative year-on-year growth, due to smaller business with clients in Automobiles/Automobile-Related Products, Information/Communications, and Finance/Insurance sectors although gross billings to clients in Classified Ads/Others grew and we promoted events, sales of premium goods, integrated service associated with web business, taking advantage of our alliance with a consulting firm for on-site store communications.

Sales of Creative and others decreased to ¥ 48,871 million, or 11.7% year-on-year decline mainly due to tighter budget control at our advertising clients, even though we tried to respond clients' needs by faster intra-communication and a focus on digital creative.

Unconsolidated gross profits of ADK were 31,603 million, an 18.2% year-on-year decline, with 10.2% gross margin ratio, 0.6 points lower than 2008, because of smaller gross billings, tougher competition, and larger write-offs of investments in animation/movie contents. Even tough the company tried to absorb the shrink of gross profits by controlling operating expenses, especially staff costs, after incurring ¥ 432 million provision for doubtful accounts, operating expenses amounted to ¥ 32,870 million, or 9.1% year-on-year decline. An operating loss of ¥ 1,267 million was posted, while the company reported ¥ 2,463 million operating income in 2008. Further unconsolidated income information is provided in **Appendix 7**.

- Group Companies in the Advertising Business

  The ADK group's advertising agency companies had mixed results. Domestic subsidiaries as a whole increased their gross billings, but after large provisions for allowance of doubtful receivables, an operating loss was reported in total. Overseas subsidiaries suffered from smaller gross billings due to appreciation of the Yen and the global recession. However, gross billings at Chinese subsidiaries grew and operating expenses were relatively flexibly controlled, and the overseas subsidiaries in total reported slightly larger operating profits.

② Other Business

ADK has two consolidated subsidiaries in the publications industry. Among the two, the smaller subsidiary, specializing in publication of periodicals to select club members, obtained new contracts and turned profitable. As the publications market has been experiencing significant decline under the influence of growing consumer preference for internet/mobile media, the general publication subsidiary generated less than sufficient sales to absorb fixed costs. As a result, the group's Other Business generated gross billings of ¥ 7,285 million, a 11.4% year-on-year decline, and an operating loss of ¥ 135 million, while the segment reported ¥ 44 million operating loss in FY 2008.

③ Overseas Sales

The ADK group obtained 5.4 % of its gross billings from abroad. All overseas sales are for the advertising business.

4. Balance Sheets and Cash flow

During 2009, the balance of total assets declined by ¥ 1,758 million to ¥ 190,024 million due to decrease in accounts receivables-trade and notes receivables, reflecting decrease in gross billings. Marketable securities of Current Assets also decreased. Liabilities decreased by ¥ 7,606 million to ¥ 82,559 million. After the distribution of dividends of ¥ 856 million and acquisition of treasury stocks under the resolution of the board of ¥ 877 million, reflecting recognition of unrealized gain on available-for-sale securities of ¥ 7,303 million, total net assets increased to ¥ 107,465 million, with a 56.0 % book net assets ratio, a 3.6 point increase. Further consolidated and unconsolidated balance sheet information is provided in **Appendices 3 and 8**.

At the end of FY 2009, cash and cash equivalents amounted to ¥ 18,844 million, a increase of ¥ 6,037 million from the previous fiscal year end, because cash inflow from operating and investing activities surpassed cash outflow for financing activities.

Among the Operating Activities, Income before income taxes and minority interests for FY2009 was ¥ 343 million, and depreciation was ¥ 943 million, while the decrease of notes and accounts receivable and notes and accounts payable were ¥ 14,028 million and ¥ 8,471 million, respectively, because of smaller gross billings. Tax paid during the period was ¥ 108 million. As a result, net cash flow provided by Operating Activities was ¥ 6,404 million, compared to ¥ 3,181 million cash out flow in FY 2008.

Net cash of ¥ 1,570 million was obtained from investing activities compared to ¥ 7,085 million cash provided in FY 2008. The sale and purchase of marketable securities were ¥ 6,512 million and ¥ 4,995 million, respectively, and the sale and purchase of investment securities were ¥ 1,418 million and ¥ 1,646 million, respectively.

Net cash used for financing activities was ¥ 2,141 million, compared to ¥ 7,853 million in FY 2008, mainly for larger returns to shareholders, like dividends for ¥ 856 million and acquisition of treasury stocks of ¥ 882 million. Further cash flow information is provided in **Appendix 5**.

The major indices of consolidated financial conditions are as follows:

Term	FY 2006	FY 2007	FY 2008	FY 2009
Book Equity Ratio	54.7%	53.1%	52.4%	56.0%
Market Cap. to Book Total Assets	69.3%	57.3%	44.8%	41.0%
Years to redeem debts	0.1	6.5	(0.3)	0.1
Interest Coverage Ratio (times)	247.8	5.7	(121.8)	248.4

TSE Formulas: (Book Net Assets Ratio) ＝ (Book Equity excluding Minority Interest) ÷ (Book Total Assets)

The TSE formula for Book Net Assets was amended to add Net valuation gain of hedging purpose derivatives to Book Equity.

(Market Cap. to Book Total Assets) ＝ (Market Cap.) ÷ (Book Total Assets)

(Years to Redeem Debts) ＝（Interest Bearing Debts）÷（Annualized C.F. from Operations）

(Interest Coverage Ratio) ＝ (C.F. from Operations) ÷ (Gross Interest Expenses)

Note: In FY 2008, because Operating activities had cash outflow, years to redeem debts and Interest Coverage Ratio were negative. The cash flow was temporarily negative due to large decrease in accounts payable and larger tax payments reflecting income the year before. When Operating Income is used to calculate Years to redeem debts and Interest Coverage Ratios, the figures will be 0.28 years and 160.7 times.

5. Strategies on Competition

① Appropriate Response to the Worldwide Recession

Although the worldwide recession derived from the US sub-prime loan crisis may be close to ending and the Japanese economy looks bottoming up, there are still many worries, like sluggish capital expenditures and individual consumptions, low employment, and appreciation of Yen. We are afraid to foresee the advertising market may keep suffering severely. Under the circumstances, the ADK group will strive harder by gaining more competitiveness and implementing stricter cost controls to secure growth in gross profits, and minimizing operating expenses. We also pay more attention to financial stability in this difficult economic environment.

② Strategies on Growing Markets

A) Cross communication program for the new era

In the advertising industry, traditional media have matured and see only limited growth while digital-based media like the internet with broadband access, mobile media, and satellite and digital TV broadcasting, are providing revolutionary multimedia choices for advertisers and consumers alike. Search engine sites are rapidly developing their services and markets. Consumers are networking with and influencing each other through weblogs, social networking sites and virtual reality internet game sites, and are changing their purchasing behaviors.

Services advertising clients now expect us go far beyond buying traditional media. They demand optimized media planning solutions that integrate traditional and digital media with maximum returns on their advertising investments, fully taking advantage of data on consumer purchasing behavior and media consumption.

The ADK group responds to these demands by offering totally integrated cross communications programs bridging traditional media and new media like digital, OOH and in-store media seamlessly with the core idea that we offer media-neutral and solution-neutral services, which represent the interests of advertising clients over media owners. We also offer direct marketing and in-store media services.

In October 2009, ADK made a capital and strategic alliance with DA search and link Inc., an advertising company specializing in search engine marketing, to enhance our competitiveness in solutions to guide consumers from search engines to our clients' web sites. ADK also tied-up with Max, Inc. a specialty advertising company in consulting for on-site shop communications to offer seamless services from advertising, in-store, and consumer touch points.

B) Enhanced 360-degree Solution Services by Establishment of CBUs

In order for ADK to be ready to offer better 360-dgree solutions more quickly, we accelerated our initiative to form Client Business Units, who are teams of cross-section talents from creative, communication planning, promotion, digital, media and contents divisions to serve better to select important clients.

C) Content: Development of Animation and Other Content Businesses

ADK's content business ensures the group enjoys additional income sources to those of a typical advertising business. In addition to take advantages of its rich content libraries, ADK will work to develop new contents to diversify its libraries. ADK will also further develop overseas markets and find partners to sell already and newly made video programs and character goods.

D) Overseas Markets

Considering the importance of China and other Asian markets, which account for 60% of the world's population and keep growing relatively faster than the rest, we have been busy upgrading our regional network infrastructure. Some clients see China as a must-go market due to limited growth in Japan. In China, a subsidiary in Shanghai will operate as a hub company to network the subsidiaries. In addition, more new, fast-growing markets are emerging. We have opened an office in Russia in 2009. We are promoting a program where select global account directors will serve our select clients for their worldwide development, so that ADK increase its shares. We will continue to strengthen our overseas network. It is our target to generate more than 10% of consolidated gross billings from overseas markets. In US and European markets, we will also take advantage of our alliance with the WPP group.

E) Local Domestic Markets

Because the Osaka, Nagoya and Kyushu areas would offer us more room to grow, we will continue to focus on our local branch offices in these markets.

③ Enhancement of Core Competencies

The ADK group seeks to enhance competitiveness by upgrading the following programs:

A) ADK University: Development of Talent

The advertising business is a people business. The key to the success depends on human talent resources. To succeed as a competitive agency, which offers media-neutral and solution-neutral ideas through 360-degree programs, responding to the changing consumers' purchasing behavior and media consumption by taking advantages of advanced communications technologies and knowledge of various media, to help clients build up their brands and enhance profitability, the ADK group must take full advantage of its human talent pool. Therefore, ADK develops its talent through ADK University education programs.

B) From Creative Directors to Communications Directors

Even in the Internet era, the key competitive edge for an advertising company is powerful and convincing creative. A powerful creative with impact is effective for branding and a response to CM skipping. We launched a new, star-creator training, hiring, and support program designed to help our creative directors transform themselves into communications directors to better offer superior 360-degree insights for clients in the latest consumer buying trends and ever-changing modes of media access, content and interest.

C) Approach to Traditional and New Media Owners: Communication Channel Director

Because of greater importance of ideas which respond to clients needs for higher ROI by better knowledge in consumer behavior and insights in the digital era, we need to develop talent pools of communication channel directors, who would be able to orchestrate solutions for every consumer touch-point from 360-degree points of view, which go beyond media planners for traditional media.
In order to better compete against major competitors, we believe we need a more solid market presence, especially in media buying. In order to empower our negotiation skills and media planning services, we keep investing in our talent to increase our market share.

D) ROI Optimization

Japanese advertiser clients have been demanding ever more diversified and sophisticated communications programs from their agencies. In short, they want their agencies to show quantifiable returns on investment in communications, an optimum return on invested capital, and a justifiable return on communication solutions. In order to respond to the changing marketplace and client needs, ADK is again up-grading its proven 360-degree communications program that already offers clients sophisticated ROI measurements.

④ Enhancement of Profitability and Efficiency of Subsidiaries and Affiliates

The ADK group has unique group companies with their own specialties. Under the recession, we will focus more on creation of synergies. We will work to turn around loss-making and underperforming subsidiaries and affiliates.

⑤ Internal Control, Compliance and CSR

The ADK group now abides by the rules of internal control system under the financial products exchange law from FY 2009. Although we believe we are able to warrant accuracy of our financial statements, we also believe this is an ongoing campaign to improve our internal control further and respond to the changes.

For sounder and faster growth, we believe proper risk management is essential together with enhancement of competitiveness. We are enhancing our information security environment under ISO 27001 and eco-protection program under ISO 14001 as a socially responsible corporate citizen.

6. Outlook for Fiscal Year 2010

As stated above we worry that it would take more time for Japanese advertising markets to resume growth.

Under the slow growth environment, ADK forecasts its consolidated performance for 2Q 2010 at ¥ 170.0 billion in gross billings, ¥ 0.0 billion in operating profits, ¥ 1.2 billion in recurring profits, and ¥ 0.8 billion in net loss. For FY 2010, gross billings of ¥ 356.0 billion, ¥ 1.3 billion in operating profits, ¥ 3.0 billion in recurring profits, and ¥ 0.1 billion in net income are forecasted. EPS is forecasted at ¥ 2.35.

On an unconsolidated basis, the forecasts for 2Q 2010 are set at ¥ 151.0 billion in gross billings, ¥ 0.1 billion in operating loss, ¥ 1.1 billion in recurring profits, and ¥ 2.7 billion in net income. For FY 2010, ¥ 314.0 billion in gross billings, ¥ 0.6 billion in operating profits, ¥ 2.2 billion in recurring profits, and ¥ 3.3 billion in net income are forecasted. EPS is forecasted at ¥ 77.49.

The above forecasts are reflected by the sale of ADK's equity interest in Nippon Information Industry Corp. an equity method affiliate as of February 12, 2010, where ADK recognizes ¥ 1.0 billion in extraordinary loss on consolidated basis but ¥ 2.5 billion in extraordinary profit for the 1Q 2010.

Dividend for the FY 2010 is forecasted as in the table below:

Dividend Forecast for the fiscal 2010

FY 2008 Dividend	Interim Dividend	Year-End Dividend	Total Annual Dividend
Per share Dividend	¥ 10	¥ 10	¥ 20
Record Date	Jun. 30, 2010	Dec. 31, 2010	
Date of Disbursement	TBD	TBD in 2011	

7. Forward Looking Statements and Risk Factors

- Forward Looking Statements

  This report may contain forward-looking statements based on ADK management's view and assumptions of future developments as of the date of such statements. The foregoing statements herein are inherently subject to risks, including, but not limited to those shown below (under TSE guidance), 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.

- Domestic Economy

  During FY 2009, 97.9% of group billings are generated from the advertising market. The group generates 94.6% of its gross billings from the Japanese domestic markets. Japanese national advertising spending is directly influenced by corporate advertisers's wallet size, and, therefore, it is closely correlated with nominal consumer spending and GDP. In the event that the domestic economy deteriorates seriously, the ADK group's performance and financial conditions could be negatively impacted.

- Response to the Development of New and Digital Media and Changing Consumers' Media Consumption

  As stated in the Strategy section, media and advertising market is rapidly and significantly changing. We do not see traditional and new media cannibalizing each other. Rather, they could enhance each other. The ADK group continues to focus on both traditional and new and digital media through its 360-degree communications approach.

  In addition, the group has been accelerating its efforts to enhance its functionalities to lead the digital advertising market, including the internet. However, if ADK fails to adapt to changes in the advertising media, its performance and financial conditions could be adversely impacted.

- Relationship with Advertisers

  In Japan, traditionally advertisers do not strictly require an exclusive relationship with their agencies, which may have business with competitors. However, there is no assurance that this practice will continue in the future. In the event that ADK fails to adapt to such changes in the advertising market, its performance and financial conditions could be adversely impacted.

  Advertising companies in Japan do not always have documented contracts with media and clients so as to maximize their flexibility in order to adapt to sudden changes. However, ADK works to ensure it has written contracts with more media and more clients. When this is the rule, not the exception, the company believes accountability by both parties will minimize disputes. Until that time, however, there remains the possibility of disputes with media and clients.

An advertising agency buys media time or space and materials on behalf of its clients on its own account. Sometimes a purchase is made through another agency. Therefore, even if a client and/or such another agency default, the advertising company is still liable for the media and or materials toward a media owner and or a sub-contracting production company.

- Client Portfolio

  The sizes of advertising spending by clients' industry sector may vary and changing. In the last ten years, according to Dentsu, sectors of Information / Communications, Finance/Insurance, Restaurants/Other services grew their spending, while sectors of Automotive / Automotive related products, Foods, Beverages / Tobacco products, and Publications decreased their spending. The ADK group has a diversified portfolio of first-tier clients. The parent company's largest 10 and 20 clients' share around 20 and 30% of total unconsolidated gross billings for FY 2009 and compared to the competitors, sector concentration risk is similar. Although we strive to maintain and develop good relationships with our clients, there is no assurance that we will be able to continue to do so.

- Competitive Risk

  Competition among Japan's major advertising companies is intensifying. In addition, the entry of foreign mega agency groups into Japanese market, many new and rapidly growing entrants in the internet advertising market, and the dominance of Google in search engine marketing and related business, accelerates competition. Besides, advertising clients tends to select preferred agency to enjoy economy of scale to minimize procurement costs. Consolidation among clients would accelerate this trend. In the event that ADK is unable to respond appropriately to client needs and changes in the advertising industry, and loses its competitiveness as a result, there is significant risk that its market share could decline and profitability could deteriorate. This would have a serious impact on its performance and financial condition.

- Relationships with the Media

  In FY 2009 ADK parent company generates 68.4% of its gross billings by handling the four major mass media as well as the rapidly growing internet and digital advertising sectors and OOH media. Gross billings from TV represented 48.2% of ADK's non-consolidated gross billings. ADK strives to secure advertising time and/or space of these traditional and new media. However, in the event of a decrease in advertising volume and/or changes in business terms and conditions and advertising methods, and/or the emergence of new advertising formats, and the ADK group does not respond to these changes appropriately, there is a significant possibility that its performance and financial conditions could be adversely affected.

- Media Inventories
  Occasionally, ADK purchases media inventories, particularly animation programs, at fixed prices based on orders from client advertisers and sometimes ADK speculates on inventories. Although we strive to improve the quality of contents**,** and increase the demand of such programs by keeping a close relationship with the media, in the case of weak sales, excess inventories could have an adverse effect on our performance and financial conditions.

- Relationship with Sub-contractors
  While ADK carries out the planning for advertising and sales promotion campaigns, the execution of these activities is mostly outsourced to qualified sub-contractors. In the case of a change in trading relationships with these sub-contracted companies and in the event that ADK is unable to respond appropriately, this could have a negative impact on group performance and financial conditions.

- Credit Risks of Sub-contractors
  In Japanese advertising markets, an advertising agency is usually required to absorb credit and functionality risks of many small and specialty sub-contractors without shifting them to the advertisers. Besides, sometimes an agency needs to help financing of such sub-contractors by advance payments. In an international business, a partial advance payment is commonly required. When a sub-contractor cannot fulfill an order from an advertiser or maintain its business as a going-concern, an agency is likely to suffer a loss.

- Staff
  Advertising is a people business and talents are critical assets in the advertising industry. In the event that ADK is unable to secure and train its talented staff adequately, there could be a negative impact on performance and financial conditions.

- Overseas Operations
  ADK has been striving to develop overseas revenues. In 2009 the ADK group generated 5.4% of its gross billings from overseas. In overseas markets, because of the difference in culture, society, law and commercial customs, a variety of problems may arise. In addition, both country risk and currency risk are inherent in conducting international business. In the event that the ADK group is unable to expand its overseas operations as planned, the group’s performance and financial condition could be significantly impacted.

- Content Business
  ADK has been successful in animation content business as well as sports and cultural event marketing, which enables ADK to differentiate itself from competitors. ADK continues to develop new contents under existing and new business models. However there is no guarantee of the continued success of these contents or of derivative and or

resale income from them. Accordingly, in the case that the group is not able to generate income as expected, the group could experience a significant impact on its performance and financial conditions.

- Investment in Competitiveness
  In order to enhance its competitiveness in the changing advertising market, ADK occasionally invests new businesses like the internet and OOH media. Besides, ADK invests in data collection and R&D, which would be critical in offering 360-degree solution ideas. Further, ADK invest in IT for more efficient operations. However, in the event that the ADK group is unable to realize benefits from the investments as planned, the group's performance and financial condition could be significantly impacted.

- Management of the Group Companies
  The ADK group is consists of the parent company, 53 subsidiaries, 22 affiliates and 1 related company and operates advertising and publications businesses. Although we strive hard to realize synergies among the group companies, in the event that the ADK group is unable to do so as planned, the group's performance and financial condition could be significantly impacted.

- Relationship with WPP plc
  ADK has maintained strategic operating and equity ties with the WPP plc, of the Republic of Ireland since August 1998, holding a 2.49% equity stake in WPP (as of December 31, 2009). WPP holds 24.32% of voting rights in ADK. At the same time, both companies have non-executive directors on each other's boards. By way of operating alliances with WPP group operating companies, including JWT, ADK made a number of creative and promotional tie-ups and will continue to develop operations worldwide.

  Because ADK does not own a majority of WPP's voting rights, and our influence on WPP group operations is limited, in the event that the ADK group is unable to realize the benefits from this relationship or if the relationship should negatively change in any way, there may be an impact on the ADK group's performance and financial conditions in the future.

  In addition, although the yen translated market value of the equity stake in WPP is ¥27,950 (at a stock price of ￡6.095 per share) million as of the end of December 2009 compared to the book value of ¥22,262 million (at a stock price of ￡3.6517 per share under the lower-of-cost-or-market method), in the event of a major deterioration in the group's ￡ based stock price, there is a possibility that ADK would have to account for valuation losses on this holding.

- Marketable Securities and Investment Securities
  The ADK group's holdings of marketable and investment securities (including the aforementioned stake in the WPP plc and equity method value of Digital Advertising Consortium, Inc. "DAC") totaled ¥53,280 million, representing 28.0% of our ¥190,024 million in total assets as of December 31, 2009. Of this amount, ¥41,602 million is publicly traded equity securities mostly for cross-shareholdings in advertising clients and other trading partners (excluding our investments of DAC, unconsolidated results of which is accounted for by the equity method). The balance of unrealized gains on available-for-sale securities is ¥4,909 million after deducting deferred tax liabilities on such gains. However, in the event of a major decline in the market prices of these holdings, we would be forced to account for valuation losses.

- Retirement Benefits and Pension Plans
  ADK and some of the group companies adopt combinations of defined contribution and defined benefits pension plans. At the end of 2004, ADK parent company reformed its employee retirement benefits and pension plans, and adopted a defined contribution pension plan and a cash balance plan to reduce the volatility of net periodic benefit costs, an element of the staff costs, through a smaller Projected Benefit Obligation and less risky pension asset investment strategies.

  In the event of deterioration in pension asset management performance, and a significant change in actuarial assumptions, the ADK group could face a negative impact on its performance and financial condition.

  ADK and some of its domestic subsidiaries are the members of the Japan Advertising Industry Welfare Pension Fund. Because the ADK group cannot technically and reasonably define how much pension assets and liabilities the group is accountable for, the group recognizes its annual cash contribution to the fund as its periodical benefit costs applicable for the fund. In the case that the fund requires the group to make a larger contribution due to changes in the discount rate, pension asset performance, number of member companies and beneficiaries, and so on, the group would need to recognize larger net periodic benefit costs.

  The fund's total pension assets and liabilities as of March 31, 2009 were ¥ 57,000 million and ¥ 90,519 million respectively, and therefore the difference was negative ¥ 33,518 million. The discount rates for the liabilities were mainly 5.5%.
  The ADK group's cash contribution share by the both employers and employees made during the year through March 2009 were 10.30% and 6.22% respectively making the total 16.52%. Applying simply the shares to the aforementioned total fund assets, the group's prorated shares of assets as of March 31, 2009 were ¥9,417 million in total. Out of the amount, the employers' portion and employees' portion were ¥5,869 million and ¥3,548 million respectively. Likewise, the group's prorated shares of pension liabilities were ¥14,954 million in total. Out of the amount, the employers' portion and employees' portion were ¥9,320 million and ¥5,634 million, respectively.

- Contingent Litigation Risks
  As of the date of the statements, the ADK group has not been involved or exposed to a law suit or dispute which could place significantly negative influence on the group's performance and financial conditions. However, there is no guarantee that the group would never be involved or exposed to such a law suit or dispute

- Legal Risks
  The ADK group's advertising clients are affected by a number of mandatory and voluntary regulations, depending on the type or types of businesses in which they are engaged. If these laws and regulations are tightened or new ones are enacted, our clients' advertising activities could shrink or become curtailed. Such changes may have a negative impact on our performance and financial conditions.

- Regulatory Changes
  In Japan, there are a number of laws that bind advertising companies, including ADK. These include laws to prevent delays in payment to subcontractors and protect personal information as well as regulations applicable to advertising companies. Besides, as a publicly listed company, ADK should be in compliance with internal control reporting system (or so called J-SOX law). If there is a strengthening of existing laws or regulations affecting the advertising activities of advertisers or the format or content of advertisements, and if the ADK group needs to enhance its compliance environment, the financial results of the ADK group and other advertising companies could be adversely affected. In the case there is the introduction of new laws or regulations, or the reinterpretation of existing laws or regulations, the result could also impact the ADK group's performance.

8. Others

① Inventories

Effective from the financial statements for FY 2009, inventories are assessed in accordance with ASBJ Statement No.9 (issued on July 5, 2006), where inventories with low expected profitability are written down when such judgment is made. As a result, for the year ended December 31, 2009, Operating loss and Recurring profit are negatively impacted by ¥ 69 million and Income before income tax is lower by ¥ 208 million. Also, Operating loss of the advertising business segment for FY 2009 is negatively impacted by ¥ 69 million.

② Leases

Effective from the financial statements for FY 2009, leases are treated in accordance with ASBJ Statement No.13 (revised on March 30, 2007) and ASBJ Guidance No.16 (revised on March 30, 2007 at latest), where finance leases with no transfer of ownership are capitalized as lease assets. The adoption of the standard is accelerated by a year. Depreciation of those lease assets are computed by the straight-line method over the lease period with zero salvage value. Regardless of the adoption, the finance lease assets with no ownership transfer leased on or before December 31, 2008 are treated as before.

As a result, lease assets of ¥ 113 million are capitalized as Tangible fixed assets and ¥ 6 million as Intangible fixed assets as of December 31, 2009. The effect of this standard on Operating loss, Recurring profit, and Income before income tax is not material.

③ Overseas subsidiaries

Effective from the financial statement for FY 2009, financial statements of the overseas consolidated subsidiaries are made in accordance with ASBJ Practical Solution No.18 (issued on May 17, 2006), where certain corrections are made upon consolidation. The effect of this solution on Operating loss, Recurring profit, and Income before income tax is not material.

Contact: Yasuhiro Oshimo
Deputy Unit Director
Finance Unit
ASATSU-DK Inc.
Tel: +81-3-3547-2654
E-mail: oshimo@adk.jp
URL: http://www.adk.jp/english/index.html

# # #

Revised of February 18, 2010

Appendix 1.

ASATSU-DK INC. and Consolidated Subsidiaries

Consolidated Financial Highlights

Year Ended December 31, 2009

(Unaudited and before reclassifications and rearrangements)

Millions of Yen

	Year Ended December 31, 2009	Year Ended December 31, 2008
GROSS BILLINGS	350,211	399,452
YEAR-ON-YEAR GROWTH RATE (%)	(12.3)	(8.2)
GROSS PROFIT	41,367	49,143
OPERATING INCOME	(756)	3,699
YEAR-ON-YEAR GROWTH RATE (%)	−	(48.1)
RECURRING PROFIT	1,094	5,335
YEAR-ON-YEAR GROWTH RATE (%)	(79.5)	(40.5)
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	343	3,774
NET INCOME	73	2,125
ANNUAL DIVIDEND PER SHARE (Yen)	20.00	20.00
TOTAL ASSETS	190,024	191,782
SHAREHOLDERS' EQUITY (Shareholders' equity plus valuation and translation adjustments)	106,423	100,588
MINORITY INTERESTS	1,042	1,028
TOTAL NET ASSETS (Total of shareholders' equity plus minority interests)	107,465	101,617
SHAREHOLDERS' EQUITY PER SHARE (Yen)	2,499.05	2,334.48
NET INCOME PER SHARE (Yen)	1.73	48.14
CASH FLOW FROM OPERATING ACTIVITIES	6,404	(3,181)
CASH FLOW FROM INVESTING ACTIVITIES	1,570	7,085
CASH FLOW FROM FINANCING ACTIVITIES	(2,141)	(7,853)
CASH AND CASH EQUIVALENTS, END OF YEAR	18,844	12,807

Appendix 2.

ASATSU-DK INC. and Consolidated Subsidiaries

Consolidated Income Statements

Year Ended December 31, 2009

(Unaudited and before reclassifications and rearrangements)

Millions of Yen

	Year Ended December 31, 2009	Year Ended December 31, 2008
Ⅰ GROSS BILLINGS	350,211	399,452
Ⅱ COST OF SALES	308,843	350,308
GROSS PROFIT	41,367	49,143
Ⅲ SELLING, GENERAL AND ADMINISTRATIVE EXPENSES		
1. Salaries	22,113	24,785
2. Provision for bonus expenses	125	302
3. Provision for pension benefits	2,082	1,916
4. Rent expenses	4,146	4,024
5. Provision for doubtful accounts	785	222
6. Other expenses	12,869	14,192
Total selling, general and administrative expenses including others	42,124	45,444
OPERATING INCOME	(756)	3,699
Ⅳ NON－OPERATING INCOME		
1. Interest income	282	495
2. Dividend income	1,080	1,263
3. Equity in earnings of affiliated companies-net	126	648
4. Other income	592	573
Total non-operating income including others	2,082	2,981
Ⅴ NON－OPERATING EXPENSES		
1. Interest expenses	25	26
2. Other expenses	205	1,319
Total non-operating expenses including others	231	1,345
RECURRING PROFIT	1,094	5,335
Ⅵ EXTRAORDINARY PROFITS	364	1,608
Ⅶ EXTRAORDINARY LOSSES	1,116	3,168
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	343	3,774
INCOME TAXES		
1. Current	797	1,487
2. Deferred	(560)	153
Total income tax	236	1,641
MINORITY INTERESTS IN NET INCOME	32	7
NET INCOME	73	2,125

Revised of February 18, 2010

Appendix 3-1.

ASATSU-DK INC. and Consolidated Subsidiaries

Consolidated Balance Sheets

December 31, 2009

(Unaudited and before reclassifications and rearrangements)

Millions of Yen

	December 31, 2009	December 31, 2008
ASSETS		
Ⅰ CURRENT ASSETS		
1. Cash and time deposits	21,605	14,881
2. Notes and accounts receivable-trade	87,957	101,823
3. Marketable securities	2,145	3,419
4. Inventories	8,824	8,623
5. Other current assets	2,401	3,447
6. Allowance for doubtful accounts	(677)	(723)
Total current assets	122,255	131,472
Ⅱ FIXED ASSETS		
1. Tangible fixed assets	3,938	4,077
2. Intangible fixed assets	1,542	1,966
3. Investments and other assets		
(1) Investment securities	53,280	41,925
(2) Other assets	10,703	13,310
(3) Allowance for doubtful accounts	(1,695)	(968)
Total investments and other assets	62,287	54,267
Total fixed assets	67,769	60,310
TOTAL ASSETS	190,024	191,782

Appendix 3-2.

ASATSU-DK INC. and Consolidated Subsidiaries

Consolidated Balance Sheets

December 31, 2009

(Unaudited and before reclassifications and rearrangements)

Millions of Yen

	December 31, 2009	December 31, 2008
LIABILITIES		
Ⅰ CURRENT LIABILITIES		
1. Notes and accounts payable-trade	69,237	78,241
2. Short-term debts	346	551
3. Current portion of long-term debt	92	151
4. Accrued bonuses to employees	163	291
5. Allowance for sales returns	545	599
6. Other current liabilities	7,408	7,718
Total current liabilities	77,793	87,554
Ⅱ LONG-TERM LIABILITIES		
1. Long-term debts	253	341
2. Accrued retirement benefits	1,001	850
3. Allowance for retirement benefits to directors	1,208	1,145
4. long-term deferred tax liabilities	1,904	13
5. Other long-term liabilities	398	260
Total long-term liabilities	4,765	2,611
TOTAL LIABILITIES	82,559	90,165
NET ASSETS		
Ⅰ SHAREHOLDERS' EQUITY		
1. Common stock	37,581	37,581
2. Capital surplus	20,024	20,024
3. Retained earnings	51,354	52,158
4. Treasury stock-at cost	(6,970)	(6,088)
Total shareholders' equity - net	101,988	103,675
Ⅱ VALUATION AND TRANSLATION ADJUSTMENTS		
1. Unrealized gain on available-for-sale securities	4,909	(2,394)
2. Deferred gain on derivatives under hedge accounting	15	(21)
3. Foreign currency translation adjustments	(490)	(671)
Total valuation and translation adjustments	4,434	(3,087)
Ⅲ MINORITY INTERESTS	1,042	1,028
TOTAL NET ASSETS	107,465	101,617
TOTAL LIABILITIES AND NET ASSETS	190,024	191,782

Revised of February 18, 2010

Appendix 4-1.

ASATSU-DK INC. and Consolidated Subsidiaries

Consolidated Statements of Changes in Net Assets

Year Ended December 31, 2009

(Unaudited and before reclassifications and rearrangements)

Millions of Yen

	SHAREHOLDERS' EQUITY				
	Common stock	Capital surplus	Retained earnings	Treasury stock-at cost	Total shareholders' equity
Balance as of December 31, 2008	37,581	20,024	52,158	(6,088)	103,675
Effect of changes in accounting policies applied to foreign subsidiaries			0		0
Changes during the consolidated fiscal year					
Dividend payments			(856)		(856)
Net income			73		73
Acquisitions of treasury stock				(883)	(883)
Disposals and cancellation of treasury stock		(0)		0	0
Other decrease in retained earnings *			(21)		(21)
(Net) changes of items other than shareholders' equity					
Total change during the consolidated fiscal year		(0)	(804)	(882)	(1,687)
Balance as of December 31, 2009	37,581	20,024	51,354	(6,970)	101,988

	VALUATION AND TRANSLATION ADJUSTMENTS				MINORITY INTERESTS	TOTAL NET ASSETS
	Unrealized gain on available-for-sale securities	Deferred gain on derivatives under hedge accounting	Foreign currency translation adjustments	Total		
Balance as of December 31, 2008	(2,394)	(21)	(671)	(3,087)	1,028	101,617
Effect of changes in accounting policies applied to foreign subsidiaries						0
Changes during the consolidated fiscal year						
Dividend payments						(856)
Net income						73
Acquisitions of treasury stock						(883)
Disposals and cancellation of treasury stock						0
Other decrease in retained earnings *						(21)
(Net) changes of items other than shareholders' equity	7,303	37	180	7,522	13	7,535
Total change during the consolidated fiscal year	7,303	37	180	7,522	13	5,848
Balance as of December 31, 2009	4,909	15	(490)	4,434	1,042	107,465

Note: Other decrease in retained earnings is appropriation of earnings of a Chinese subsidiary to provide reserves under Chinese accounting standards.

Appendix 4-2.

ASATSU-DK INC. and Consolidated Subsidiaries

Consolidated Statements of Changes in Net Assets

Year Ended December 31, 2008

(Unaudited and before reclassifications and rearrangements)

Millions of Yen

	SHAREHOLDERS' EQUITY				
	Common stock	Capital surplus	Retained earnings	Treasury stock-at cost	Total sharehoders' equity
Balance as of December 31, 2007	37,581	20,024	51,901	(203)	109,303
Changes during the consolidated fiscal year					
Dividend payments			(1,883)		(1,883)
Net income			2,125		2,125
Increase due to newly consolidated subsidiaries			19		19
Acquisitions of treasury stock				(5,888)	(5,888)
Disposals and cancellation of treasury stock		(0)		3	2
Increase due to change in accounting standards of foreign subsidiaries			1		1
Other decrease in retained earnings *			(5)		(5)
(Net) changes of items other than shareholders' equity					
Total change during the consolidated fiscal year		(0)	257	(5,884)	(5,628)
Balance as of December 31, 2008	37,581	20,024	52,158	(6,088)	103,675

	VALUATION AND TRANSLATION ADJUSTMENTS				MINORITY INTERESTS	TOTAL NET ASSETS
	Unrealized gain on available-for-sale securities	Deferred gain on derivatives under hedge accounting	Foreign currency translation adjustments	Total		
Balance as of December 31, 2007	20,304	1	1,085	21,392	1,150	131,846
Changes during the consolidated fiscal year						
Dividend payments						(1,883)
Net income						2,125
Increase due to newly consolidated subsidiaries						19
Acquisitions of treasury stock						(5,888)
Disposals and cancellation of treasury stock						2
Increase due to change in accounting standards of foreign subsidiaries						1
Other decrease in retained earnings *						(5)
(Net) changes of items other than shareholders' equity	(22,699)	(23)	(1,757)	(24,479)	(121)	(24,600)
Total change during the consolidated fiscal year	(22,699)	(23)	(1,757)	(24,479)	(121)	(30,229)
Balance as of December 31, 2008	(2,394)	(21)	(671)	(3,087)	1,028	101,617

Note: Other decrease in retained earnings is appropriation of earnings of a Chinese subsidiary to provide reserves under Chinese accounting standards.

Revised of February 18, 2010

Appendix 5.

ASATSU-DK INC. and Consolidated Subsidiaries

Consolidated Statements of Cash Flows

Year Ended December 31, 2009

(Unaudited and before reclassifications and rearrangements)

Millions of Yen

		Year Ended December 31, 2009	Year Ended December 31, 2008
Ⅰ	OPERATING ACTIVITIES		
	Income before income taxes and minority interests	343	3,774
	Depreciation and amortization	943	803
	Decrease (increase) in notes and accounts receivable	14,028	5,421
	Increase (decrease) in notes and accounts payable	(8,471)	(8,385)
	Others-net	(440)	(4,795)
	Net cash provided by operating activities	6,404	(3,181)
Ⅱ	INVESTING ACTIVITIES		
	Purchases of property and equipment	(100)	(745)
	Purchases of intangible assets	(467)	(1,319)
	Purchases of investment securities	(1,646)	(999)
	Proceeds from sales of investment securities	1,418	6,148
	Others-net	2,367	4,001
	Net cash provided by investing activities	1,570	7,085
Ⅲ	FINANCING ACTIVITIES		
	Purchases of treasury stock - net	(882)	(5,885)
	Dividends paid	(856)	(1,883)
	Others-net	(401)	(83)
	Net cash used in financing activities	(2,141)	(7,853)
Ⅳ	FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS	203	(1,289)
Ⅴ	NET INCREASE IN CASH AND CASH EQUIVALENTS	6,037	(5,238)
Ⅵ	CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	12,807	17,994
Ⅶ	CASH AND CASH EQUIVALENTS OF NEWLY CONSOLIDATED SUBSIDIARIES,BEGINNING OF THE YEAR	—	50
Ⅷ	CASH AND CASH EQUIVALENTS, END OF THE YEAR	18,844	12,807

Revised of February 18, 2010

Appendix 6.

ASATSU-DK INC. and Consolidated Subsidiaries

Segment Information

(Unaudited and before reclassifications and rearrangements)

Year Ended December 31, 2009

Millions of Yen

	Advertising	Non-advertising	Total	Eliminations or Corporate	Consolidated
GROSS BILLINGS					
(1) Billings to customers	342,925	7,285	350,211	−	350,211
(2) Inter-segment billings	24	349	374	(374)	−
Total billings	342,949	7,635	350,585	(374)	350,211
Operating expenses*	343,568	7,770	351,339	(371)	350,967
Operating income	(618)	(135)	(753)	(2)	(756)

Year Ended December 31, 2008

Millions of Yen

	Advertising	Non-advertising	Total	Eliminations or Corporate	Consolidated
GROSS BILLINGS					
(1) Billings to customers	391,229	8,222	399,452	−	399,452
(2) Inter-segment billings	29	170	199	(199)	−
Total billings	391,258	8,393	399,652	(199)	399,452
Operating expenses*	387,510	8,438	395,948	(195)	395,752
Operating income	3,748	(44)	3,703	(4)	3,699

* Operating expenses includes total of cost of sales and selling, general, and administrative expenses.

Revised of February 18, 2010

Appendix 7.

ASATSU-DK INC.

Non-consolidated

Income Statements

Year Ended December 31, 2009

(Unaudited and before reclassifications and rearrangements)

Millions of Yen

	Year Ended December 31, 2009	Year Ended December 31, 2008
Ⅰ GROSS BILLINGS	310,970	358,595
Ⅱ COST OF SALES	279,367	319,955
GROSS PROFIT	31,603	38,640
Ⅲ SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	32,870	36,176
OPERATING INCOME	(1,267)	2,463
Ⅳ NON－OPERATING INCOME	1,840	2,002
Ⅴ NON－OPERATING EXPENSES	124	481
RECURRING PROFIT	449	3,984
Ⅵ EXTRAORDINARY PROFITS	48	1,480
Ⅶ EXTRAORDINARY LOSSES	1,024	2,155
INCOME BEFORE INCOME TAXES	(526)	3,309
INCOME TAXES	(28)	1,587
NET INCOME	(498)	1,721

Revised of February 18, 2010

Appendix 8-1.

ASATSU-DK INC.

Non-consolidated

Balance Sheets

December 31, 2009

(Unaudited and before reclassifications and rearrangements)

Millions of Yen

	December 31, 2009	December 31, 2008
ASSETS		
Ⅰ CURRENT ASSETS		
1. Cash and time deposits	8,848	5,483
2. Notes receivable-trade	3,537	4,810
3. Accounts receivable-trade	74,505	85,455
4. Marketable securities	1,828	2,087
5. Inventories	5,456	5,397
6. Other current assets	2,023	3,392
7. Allowance for doubtful accounts	(584)	(639)
Total current assets	95,616	105,986
Ⅱ FIXED ASSETS		
1. Tangible fixed assets	1,609	1,648
2. Intangible fixed assets	1,429	1,837
3. Investments and other assets		
(1) Investment securities	53,620	42,635
(2) Other assets	8,626	11,118
(3) Allowance for doubtful accounts	(1,070)	(675)
Total investments and other assets	61,176	53,077
Total fixed assets	64,216	56,562
TOTAL ASSETS	159,832	162,549

Revised of February 18, 2010

Appendix 8-2.

ASATSU-DK INC.

Non-consolidated

Balance Sheets

December 31, 2009

(Unaudited and before reclassifications and rearrangements)

Millions of Yen

	December 31, 2009	December 31, 2008
LIABILITIES		
Ⅰ CURRENT LIABILITIES		
1. Notes payable-trade	11,337	16,225
2. Accounts payable-trade	51,810	56,000
3. Other current liabilities	2,460	3,356
Total current liabilities	65,608	75,582
Ⅱ LONG-TERM LIABILITIES		
1. Accrued retirement benefits	195	84
2. Allowance for retirement benefits to directors	772	739
3. long-term deferred tax liabilities	1,873	—
4. Other long-term liabilities	234	140
Total long-term liabilities	3,075	963
TOTAL LIABILITIES	68,684	76,546
NET ASSETS		
Ⅰ SHAREHOLDERS' EQUITY		
1. Common stock	37,581	37,581
2. Capital surplus	20,024	20,024
3. Retained earnings	35,917	37,272
4. Treasury stock-at cost	(6,970)	(6,088)
Total shareholders' equity - net	86,551	88,789
Ⅱ VALUATION AND TRANSLATION ADJUSTMENTS		
1. Unrealized gain on available-for-sale securities	4,580	(2,764)
2. Deferred gain on dervatives under hedge accounting	15	(21)
Total valuation and translation adjustments	4,596	(2,786)
TOTAL NET ASSETS	91,147	86,002
TOTAL LIABILITIES AND NET ASSETS	159,832	162,549

Revised of February 18, 2010

Appendix 9.

ASATSU-DK INC.

Non-consolidated

Gross Billings Breakdown by Discipline

(Non-consolidated Basis)

Year Ended December 31, 2009

Millions of Yen

	Year Ended December 31, 2009		Year Ended December 31, 2008		Changes from previous year	
Media		%		%		%
Magazine	16,865	5.4	23,737	6.6	(6,872)	(29.0)
Newspaper	21,636	7.0	30,376	8.5	(8,740)	(28.8)
Television *	149,776	48.2	162,453	45.3	(12,676)	(7.8)
Radio	2,967	1.0	3,710	1.0	(742)	(20.0)
Digital Media *	13,115	4.2	13,467	3.8	(352)	(2.6)
OOH Media *	8,236	2.6	12,097	3.4	(3,860)	(31.9)
Total	212,598	68.4	245,843	68.6	(33,244)	(13.5)
Non-Media						
Sales Promotion*	49,500	15.9	57,434	16.0	(7,933)	(13.8)
Creative and Others *	48,871	15.7	55,318	15.4	(6,446)	(11.7)
Total	98,371	31.6	112,752	31.4	(14,380)	(12.8)
Grand Total	310,970	100	358,595	100	(47,625)	(13.3)

* "Television" includes program, spot and contents business.

* "Digital Media" includes internet and mobile media.

* "OOH(Out-of-Home) Media" includes transit advertising, outdoor advertising and newspaper inserts etc.

* "Others" includes marketing, consulting and PR etc.