



1st Quarter Results for FY2011 (2011 Jan – Mar)

May 11, 2011
ASATSU-DK INC.
(Securities Code : 9747)

■ Increase in Gross Billings and Gross Profit

- Gross Billings : ¥85,381 million (+3.2% year-on-year)
- Gross Profit : ¥11,890 million (+6.3%)
 - Japan: Gradual recovery in TV spot and other sales
 - Overseas: Strong performance in Asia and China

■ Increase in Consolidated Operating Income, but decrease in Net Income

- Operating Income : ¥1,106 million (+3.4%)
- Net Income : ¥170 million (-29.9%)
 - SG&A Expenses :
 - Increase in provision for bonuses (ADK)
 - Increase of staff cost of local hired employee (overseas subsidiaries)
 - Dividends income (received in 1Q in FY2010) will be received in 2Q
 - Loss on valuation of investment securities

* No Amendment to FY2011 Forecast at present

Consolidated P/L

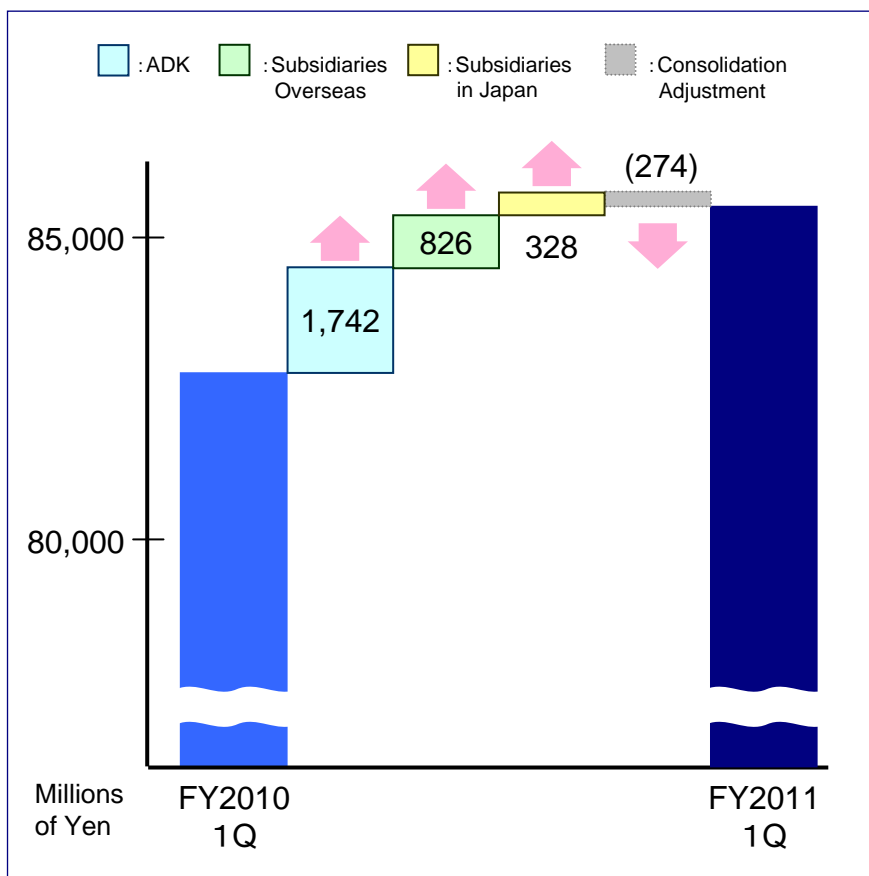
(Millions of Yen)

	2010 Jan-Mar	2011 Jan-Mar	Increase (Decrease)	Y-o-Y Change
Gross Billings	82,758	85,381	2,623	3.2%
Gross Profit	11,184	11,890	706	6.3%
<i>Gross Margin</i>	13.5%	13.9%	-	+0.4pts.
SG&A Expenses	10,114	10,784	669	6.6%
(Staff Cost)	6,951	7,734	783	11.3%
Operating Income	1,069	1,106	36	3.4%
Ordinary Income	2,038	1,370	(668)	-32.8%
Income before Income taxes and Minority Interests	1,043	293	(749)	-71.8%
Net Income	243	170	(72)	-29.9%
Operating Margin	9.6%	9.3%		
Staff Cost / Gross Profit	62.2%	65.0%		

Gross billings

(Millions of Yen)

	2010 Jan-Mar	2011 Jan-Mar	Increase (Decrease)	Y-o-Y Change
Gross Billings	82,758	85,381	2,623	3.2%



◆ ADK

- Growth in TV spot ads, Creative and others
- Fall in Marketing & Promotion, Newspaper and others

◆ Subsidiaries Overseas

- Strong performance by subsidiaries in China
- Growth in South-Eastern Asia, including Thailand and Singapore

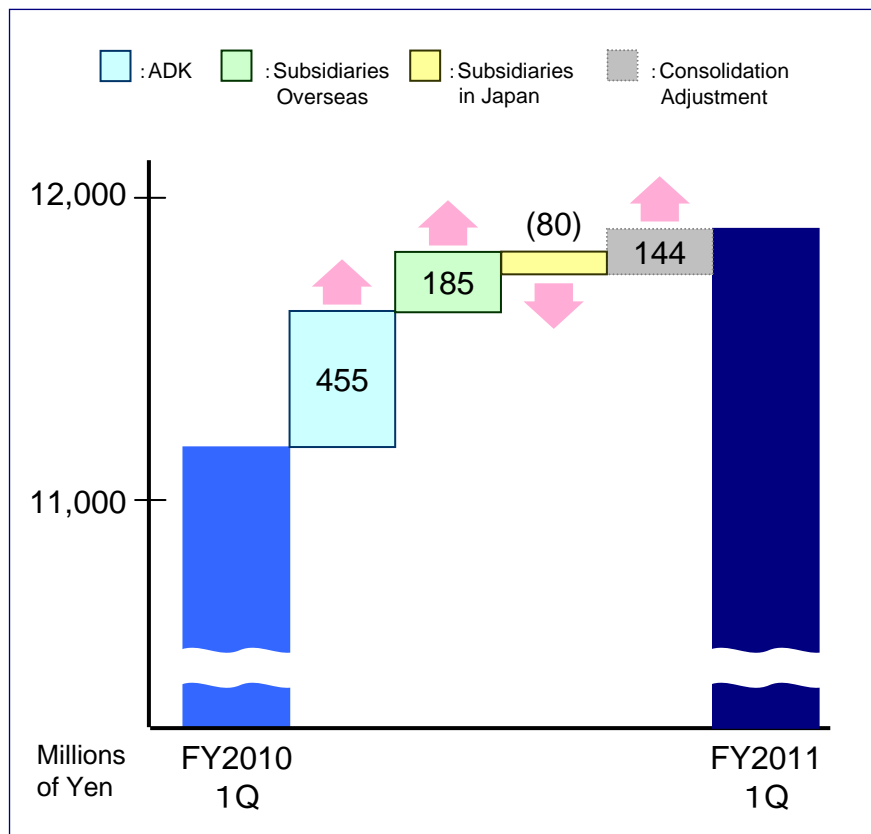
◆ Subsidiaries in Japan

- Growth in advertising business
- Fall in Publishing business

Gross Profit

(Millions of Yen)

	2010 Jan-Mar	2011 Jan-Mar	Increase (Decrease)	Y-o-Y Change
Gross Profit	11,184	11,890	706	6.3%
<i>Gross Margin</i>	13.5%	13.9%	-	+0.4pts.



◆ ADK

- Progress in Gross Margin, owing to strict control of cost of sales (FY2010: 11.9% ⇒ FY2011: 12.2%)

◆ Subsidiaries Overseas

- Strong performance in Asia market boosted profitability

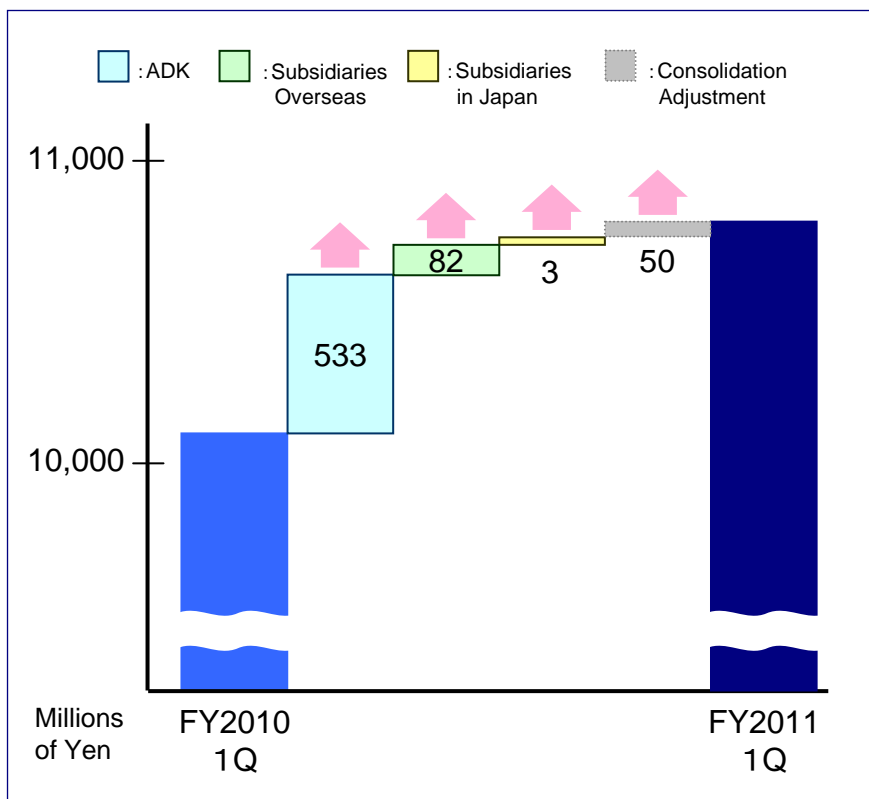
◆ Subsidiaries in Japan

- Lower Profitability of subsidiaries in advertising business

SG&A Expenses

(Millions of Yen)

	2010 Jan-Mar	2011 Jan-Mar	Increase (Decrease)	Y-o-Y Change
SG&A Expenses	10,114	10,784	669	6.6%
Staff Cost	6,951	7,734	783	11.3%
Other	3,162	3,049	(113)	-3.6%



◆ ADK

- Increase in provision for bonuses depending on strong performance in 1Q
- Continuous control of other expenses

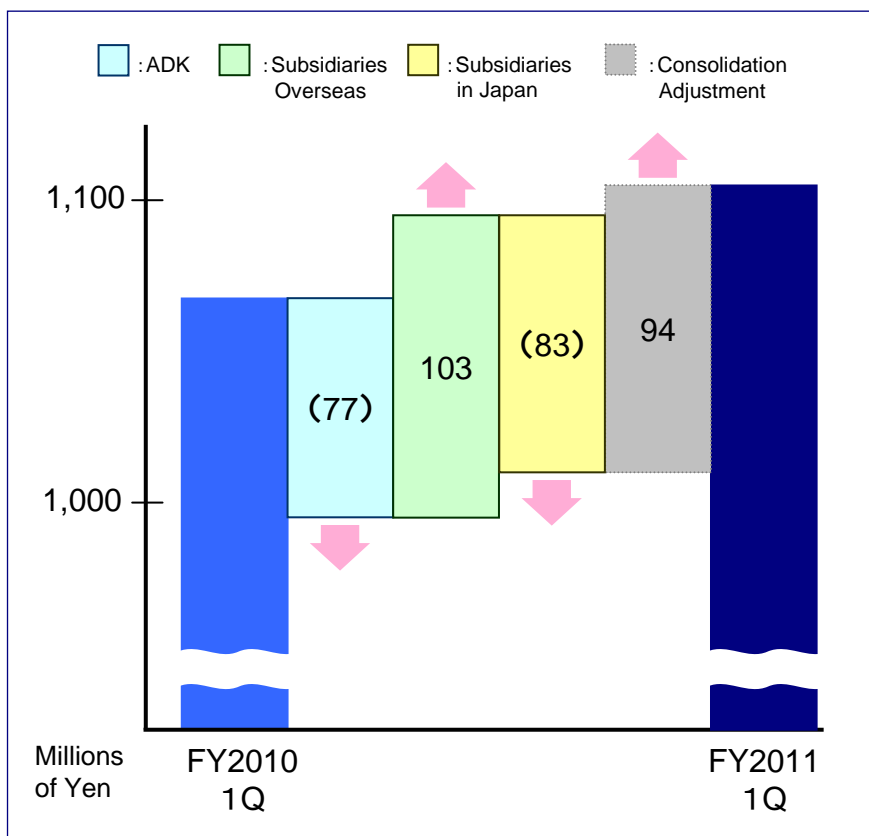
◆ Subsidiaries Overseas

- Increase of staff cost for locally hired employees in Asia

Operating Income

(Millions of Yen)

	2010 Jan-Mar	2011 Jan-Mar	Increase (Decrease)	Y-o-Y Change
Operating Income	1,069	1,106	36	3.4%



Operating Margin

	2009	2010	2011	FY2013 target
Jan-Mar	0.2%	9.6%	9.3%	-
Reference: Jan-Dec	-1.8%	0.05%	-	10.0%

Staff Cost / Gross Profit

	2009	2010	2011	FY2013 target
Jan-Mar	67.9%	62.2%	65.0%	-
Reference: Jan-Dec	67.0%	67.3%	-	60.0%

Consolidated P/L

(Millions of Yen)

	2010 Jan-Mar	2011 Jan-Mar	Increase (Decrease)	Y-o-Y Change
Operating Income	1,069	1,106	36	3.4%
Non-Operating Income	1,011	① 298	(712)	-70.5%
Non-Operating Expenses	42	34	(7)	-18.8%
Ordinary Income	2,038	1,370	(668)	-32.8%
Extraordinary Income	32	113	80	249.4%
Extraordinary Loss	1,028	② 1,190	161	15.7%
Income before Income taxes and Minority Interests	1,043	293	(749)	-71.8%
Net Income	243	170	(72)	-29.9%

【Note】

- ① Dividend income scheduled for receipt in 2Q (received in 1Q in FY2010)
- ② Includes loss on valuation of investment securities of ¥720 million and loss on adjustment for change of accounting standard for asset retirement obligations of ¥244 million

Consolidated P/L

(Millions of Yen)

	Gross Billings		Gross Profit		Operating Income		Ordinary Income	
ADK	75,190	2.4%	9,162	5.2%	855	-8.3%	1,019	-43.4%
8 subsidiaries in Japan	9,222	3.7%	1,599	-4.8%	(114)	-	(100)	-
6 subsidiaries in Greater China	3,379	17.4%	552	8.1%	152	15.8%	163	11.8%
10 subsidiaries Overseas (excluding Greater China)	3,430	10.5%	648	28.6%	189	77.1%	214	61.4%
Consolidation Adjustment	(5,840)		(73)		23		73	
Total	85,381	3.2%	11,890	6.3%	1,106	3.4%	1,370	-32.8%

*ADK group companies are on slide 14

Consolidated B/S



(Millions of Yen)

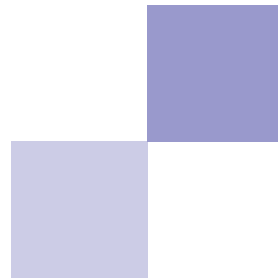
Assets	2009	2010	2011
Current Assets			
Cash and Deposits	16,565	23,061	22,363
Notes and Accounts Receivable-trade	94,489	85,130	87,817
Short-term Investment Securities	3,496	2,860	1,461
Inventories	10,093	11,415	8,270
Other	4,125	3,202	3,734
Allowance for Doubtful Accounts	(630)	(741)	(289)
Total Current Assets	128,139	124,929	123,357
Noncurrent Assets			
Property, Plant and Equipment	4,074	3,916	4,320
Intangible Assets	1,901	1,440	1,611
Investments and Other Assets			
Investment Securities	41,327	52,478	52,798
Other	13,710	10,711	10,319
Allowance for Doubtful Accounts	(1,171)	(1,604)	(1,924)
Total Investments and Other Assets	53,866	61,586	61,193
Total Noncurrent Assets	59,843	66,943	67,125

Liabilities	2009	2010	2011
Current Liabilities			
Notes and Accounts Payable-trade	74,487	67,792	68,506
Short-term Loans Payable	300	515	114
Other	9,724	8,741	10,569
Total Current Liabilities	84,511	77,048	79,190
Noncurrent Liabilities			
Long-term Loans Payable	343	1,052	740
Provision	2,042	2,279	1,782
Other	267	3,430	5,105
Total Noncurrent Liabilities	2,653	6,762	7,628
Total Liabilities	87,165	83,811	86,818

Net Assets	2009	2010	2011
Shareholders' Equity			
Capital Stock	37,581	37,581	37,581
Capital Surplus	20,024	20,024	20,024
Retained Earnings	51,827	51,253	45,651
Treasury stock	(6,634)	(7,792)	(7,700)
Total Shareholder's Equity	102,798	101,066	95,556
Valuation and Translation Adjustments			
Valuation Difference on Available-for-sale Securities	(2,657)	6,473	8,131
Deferred Gains or Losses on Hedges	21	33	(57)
Foreign Currency Translation Adjustment	(382)	(512)	(959)
Total Valuation and Translation Adjustments	(3,018)	5,994	7,114
Minority Interests	1,037	1,000	994
Total Net Assets	100,817	108,062	103,665

Total Assets	187,982	191,873	190,483
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Total Liabilities and Net Assets	187,982	191,873	190,483
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Appendix

Non-consolidated P/L

(Millions of Yen)

	2010 Jan-Mar	2011 Jan-Mar	Increase (Decrease)	Y-o-Y Change
Gross Billings	73,448	75,190	1,742	2.4%
Gross Profit	8,707	9,162	455	5.2%
<i>Gross Margin</i>	11.9%	12.2%	-	+0.3pts.
SG&A Expenses	7,774	8,307	533	6.9%
(Staff Cost)	5,328	5,965	637	12.0%
Operating Income	932	855	(77)	-8.3%
Ordinary Income	1,801	1,019	(781)	-43.4%
Income before Income taxes	4,328	100	(4,227)	-97.7%
Net Income	3,608	57	(3,550)	-98.4%
Operating Margin	10.7%	9.3%		
Staff Cost / Gross Profit	61.2%	65.1%		

Non-consolidated Performance

(Millions of Yen)

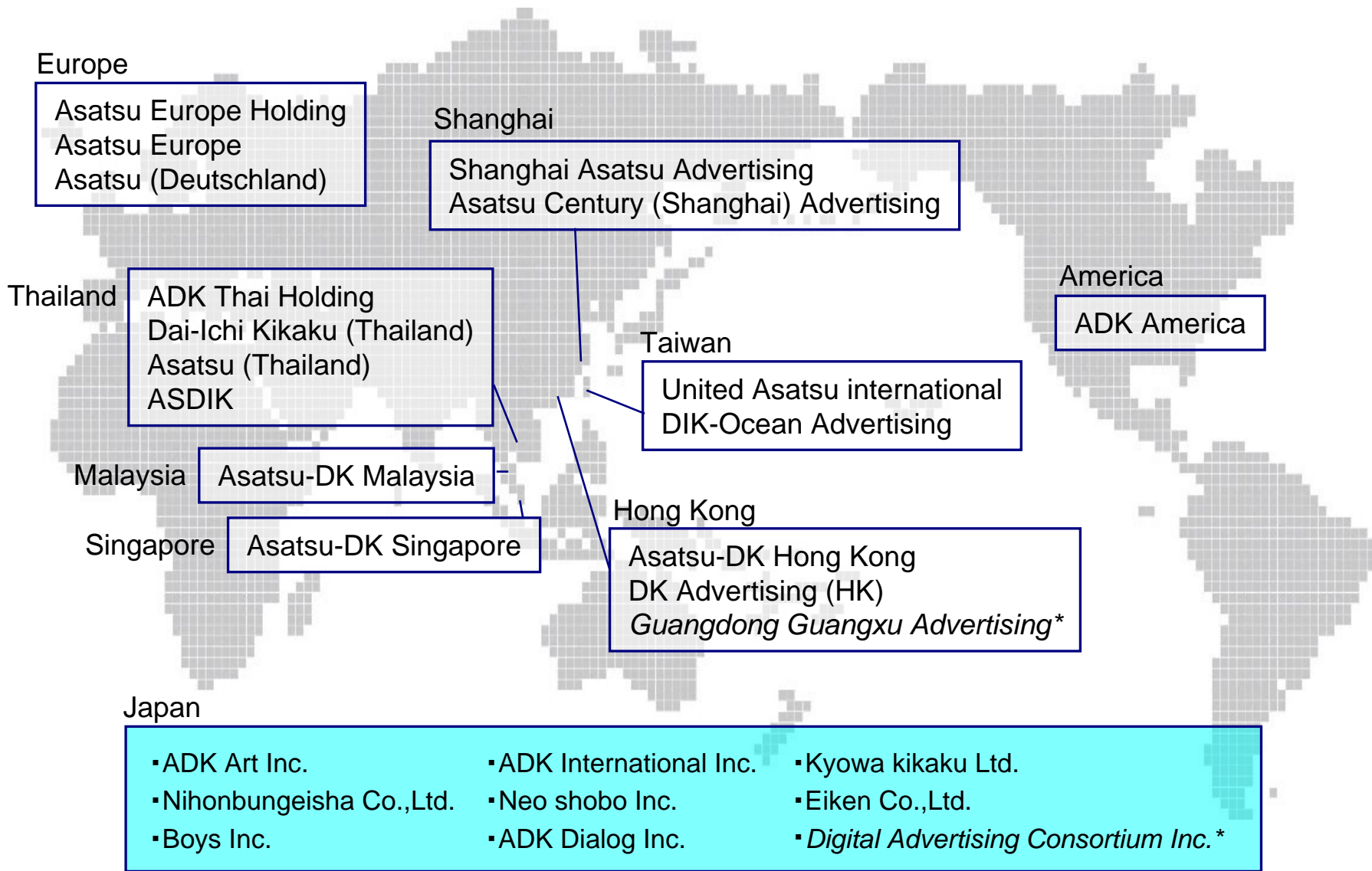
	2010 Jan-Mar	2011 Jan-Mar	Increase (Decrease)	Y-o-Y Change
News Paper	5,401	4,873	(527)	-9.8%
Magazine	3,561	3,379	(182)	-5.1%
Television	33,036	35,522	2,485	7.5%
Time*	13,550	12,981	(569)	-4.2%
Spot	16,843	19,321	2,478	14.7%
Content	2,642	3,219	576	21.8%
Radio	726	796	69	9.6%
4 Mass Media	42,725	44,572	1,846	4.3%
Digital Media	2,216	2,190	(26)	-1.2%
OOH Media	1,958	2,098	140	7.2%
Marketing & Promotion	15,222	12,991	(2,231)	-14.7%
Creative	9,263	11,501	2,237	24.2%
Other	2,061	1,836	(225)	-10.9%
Non-mass Media	30,722	30,618	(103)	-0.3%
Total	73,448	75,190	1,742	2.4%

*Time : Program sponsored ads

Non-consolidated Gross Billings: Breakdown by Industry

(Millions of Yen)

	Gross Billings	Share of Total	Increase (Decrease)	Y-o-Y Change
Energy / Raw materials / Machinery	1,474	2.0%	(37)	-2.5%
Food	7,047	9.4%	(989)	-12.3%
Beverages / Tobacco products	4,945	6.6%	1,324	36.6%
Pharmaceuticals / Medical supplies	2,720	3.6%	185	7.3%
Cosmetics / Toiletry goods	6,376	8.5%	(837)	-11.6%
Apparel / Jewelry	2,209	2.9%	234	11.9%
Precision instruments / Office equipment	449	0.6%	35	8.5%
Electric machines / AV equipment	748	1.0%	229	44.2%
Automobiles / Auto-related products	4,373	5.8%	865	24.7%
Household products	744	1.0%	(103)	-12.2%
Hobbies / Sporting goods	6,511	8.7%	1,042	19.1%
Real estate / Housing	2,202	2.9%	(68)	-3.0%
Publications	793	1.1%	(149)	-15.9%
Information / Communications	9,780	13.0%	616	6.7%
Distribution / Retail	5,728	7.6%	(879)	-13.3%
Finance / Insurance	6,730	9.0%	1,167	21.0%
Transportation / Leisure	2,758	3.7%	(781)	-22.1%
Restaurants / Other services	1,719	2.3%	216	14.4%
Government / Organization	3,086	4.1%	(246)	-7.4%
Education / Health care services / Religion	1,735	2.3%	500	40.5%
Classified ads / other	3,052	4.1%	(581)	-16.0%
Total	75,190	100.0%	1,742	2.4%



*Affiliates accounted for by the equity method



Note on Forward-looking Statements:

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