



3rd Quarter Results for FY2011 (2011 Jan – Sep)

November 9, 2011
ASATSU-DK INC.
(Securities Code : 9747)

3Q Financial Summary (Consolidated)

- Gross Billings remain flat from the previous year

Increase in Gross Profit

- Gross Billings : ¥ 249,994 million (+0.4% year-on-year)
- Gross Profit : ¥ 33,146 million (+ 11.1% year-on-year)
 - Domestic: Advertising expense recovered. Solid growth in Creative.
 - Overseas: Asia slightly declined but China remained strong

- Operating income, ordinary income and net income all returned to profitability. Lack of growth in net income due to taxes and extraordinary losses.

- Operating Income : ¥ 2,106 million (¥ 1,528 million loss for 3Q 2010)
- Ordinary Income : ¥ 1,316 million (¥ 2,019 million loss for 3Q 2010)
 - SG&A Expenses: Although personnel expenses increased due to merger of domestic subsidiaries and employing local staff at the Chinese subsidiary, total expenses decreased by reducing personnel expenses of ADK and other costs
 - Loss on devaluation of investment securities
 - Increased tax by reviewing deferred tax assets of subsidiaries

- Consolidated full-year earnings forecast for 2011 remains unchanged.

Consolidated P/L

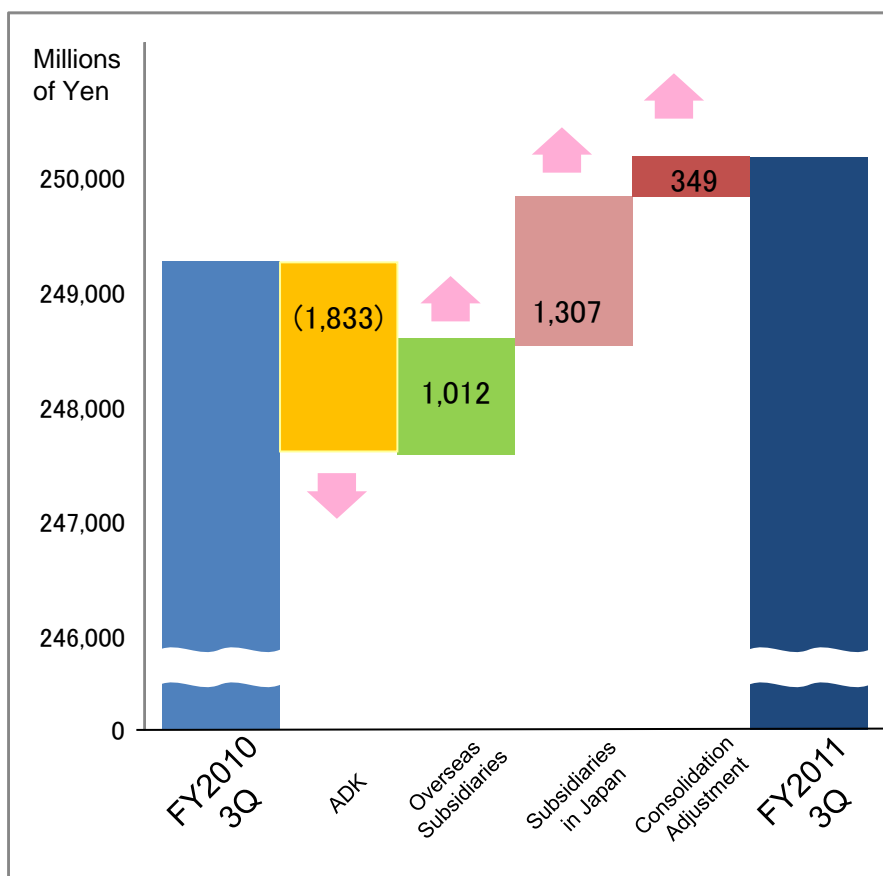
(Millions of Yen)

	2010 Jan-Sep.	2011 Jan-Sep.	Increase (Decrease)	Y-o-Y Change
Gross Billings	249,086	249,994	907	0.4%
Gross Profit	29,835	33,146	3,311	11.1%
<i>Gross Margin</i>	12.0%	13.3%	–	+1.3pts.
SG&A Expenses	31,364	31,040	(323)	–1.0%
(Staff Cost)	21,231	21,570	339	1.6%
Operating Income	(1,528)	2,106	3,634	–%
Ordinary Income	(42)	3,397	3,439	–%
Income before Income taxes and Minority Interests	(2,965)	3,562	6,527	–%
Net Income	(2,019)	1,316	3,336	–%
Operating Margin	–5.1%	6.4%		
Staff Cost / Gross Profit	71.2%	65.1%		

Gross billings

(Millions of Yen)

	2010 Jan-Sep.	2011 Jan-Sep	Increase (Decrease)	Y-o-Y Change
Gross Billings	249,086	249,994	907	0.4%



◆ ADK

- Increase in TV and radio
- Creative remains strong
- Decrease in digital media magazines and newspapers
- Decrease in marketing promotion

◆ Overseas Subsidiaries

- Significant expansion in China
- In Southeast Asia market, decrease in Malaysia, but Singapore and Thailand remain steady

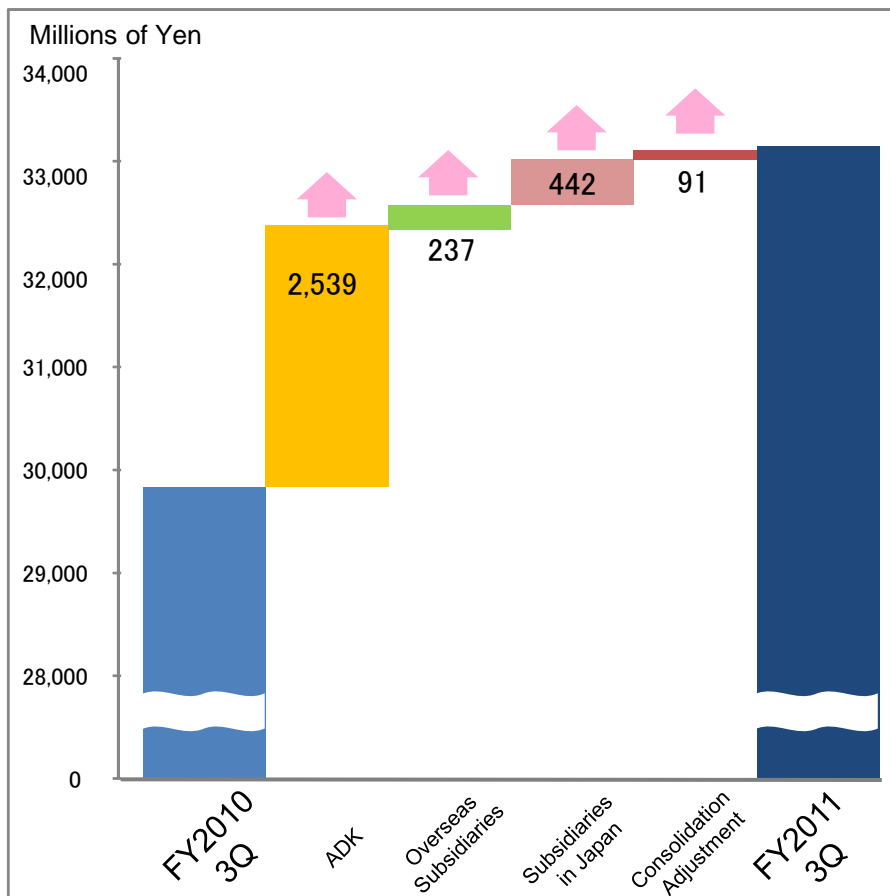
◆ Subsidiaries in Japan

- Increase in advertising/production
- Decrease in publishing

Gross Profit

(Millions of Yen)

	2010 Jan-Sep.	2011 Jan-Sep	Increase (Decrease)	Y-o-Y Change
Gross Profit	29,835	33,146	3,311	11.1%
<i>Gross Margin</i>	12.0%	13.3%	-	+1.3pts.



◆ADK

- Improved profitability by thorough cost management

Gross margin

2010: 10.0% ⇒ 2011: 11.3%

◆Overseas Subsidiaries

- Driven by Asia and China

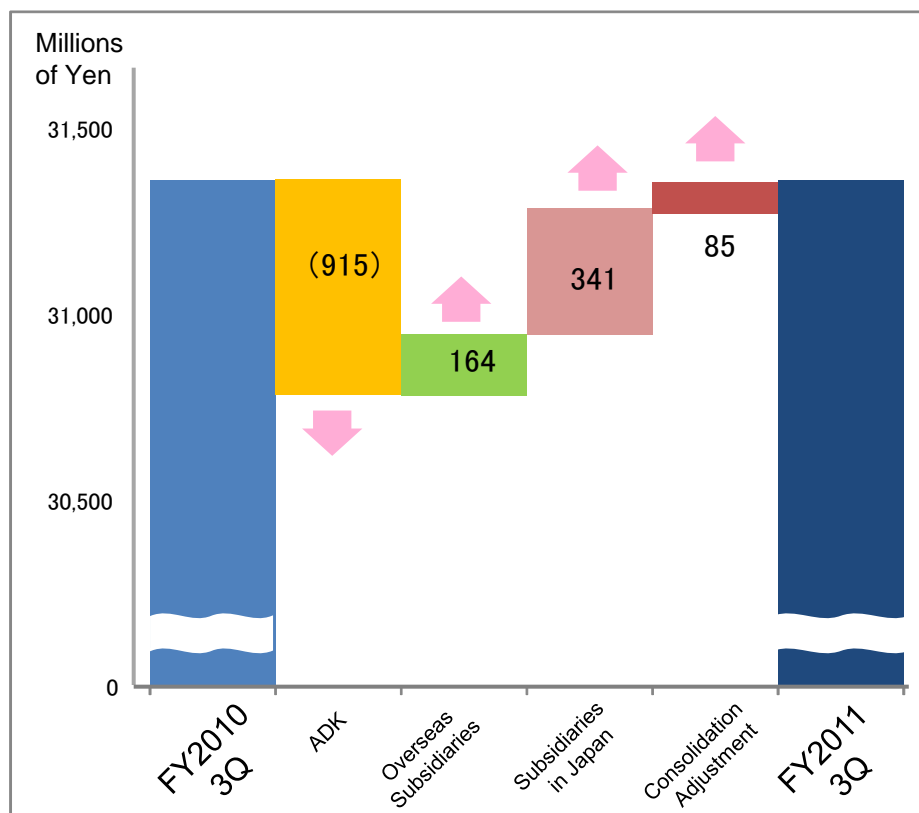
◆Subsidiaries in Japan

- Compensating for the effect of declining profit at subsidiaries engaged in publication by increasing the profit of subsidiaries engaged in ad/production

SG&A Expenses

(Millions of Yen)

	2010 Jan-Sep.	2011 Jan-Sep	Increase (Decrease)	Y-o-Y Change
SG&A Expenses	31,364	31,040	(323)	-1.0%
Staff Cost	21,231	21,570	339	1.6%
Other	10,132	9,470	(662)	-6.5%



◆ADK

- Continue to restrain increases

◆Overseas Subsidiaries

- Increase in personnel expenses due to employing local staff in China

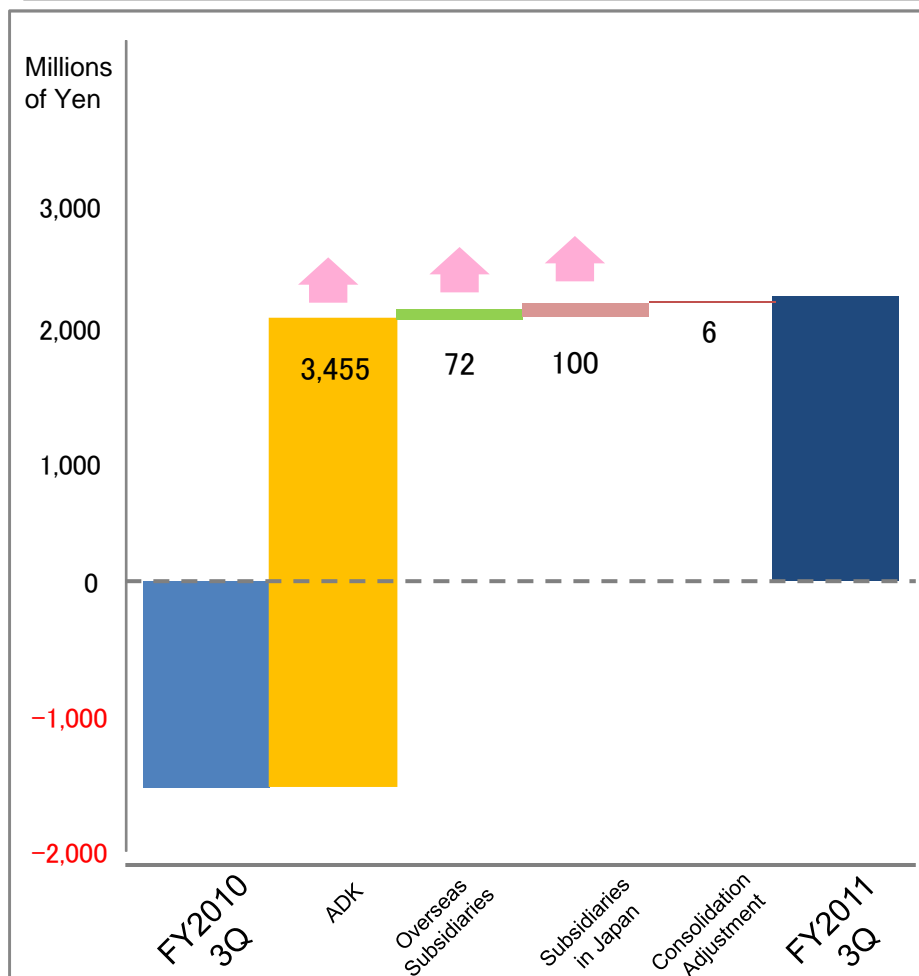
◆Subsidiaries in Japan

- Increase in personnel expenses due to merger

Operating Income

(Millions of Yen)

	2010 Jan-Sep.	2011 Jan-Sep	Increase (Decrease)	Y-o-Y Change
Operating Income	(1,528)	2,106	3,634	-%



Operating Margin

	2009	2010	2011
Jan-Sep.	-2.0%	-5.1%	6.4%
Reference: Jan-Dec	-1.8%	0.1%	-

Staff Cost / Gross Profit

	2009	2010	2011
Jan-Sep	67.3%	71.2%	65.1%
Reference: Jan-Dec	67.0%	67.3%	-

Consolidated P/L - 2

(Millions of Yen)

	2010 Jan-Sep.	2011 Jan-Sep.	Increase (Decrease)	Y-o-Y Change
Operating Income	(1,528)	2,106	3,634	—%
Non-Operating Income	1,723	1,485	(238)	—13.8%
Non-Operating Expenses	237	193	(43)	—18.2%
Ordinary Income	(42)	3,397	3,439	—%
Extraordinary Income	121	2,008	1,886	1547.6%
Extraordinary Loss	3,044	① 1,842	(1,201)	—39.5%
Income before Income taxes and Minority Interests	(2,965)	3,562	6,527	—%
tax	(955)	② 2,256		
Net Income	(2,019)	1,316	3,336	—%

【Note】 ① Loss on valuation of investment securities : 1,199 million yen / Applies the accounting standard for asset retirement obligation of 244 million yen, etc.
 ② Increased tax by reviewing deferred tax assets of subsidiaries

Consolidated P/L - 3

(Millions of Yen)

	Gross Billings		Gross Profit		Operating Income		Ordinary Income	
ADK	219,112	– 0.8%	24,679	11.5 %	1,196	–	2,320	–
8 subsidiaries in Japan	28,335	4.8%	5,484	8.8%	31	–	66	–
6 subsidiaries in Greater China	10,781	13.9 %	1,716	12.6 %	482	17.1%	584	17.7%
10 overseas subsidiaries (excluding Greater China)	8,591	– 2.6%	1,533	3.0%	324	0.6%	460	7.9%
Consolidation Adjustment	(16,827)		(267)		70		(34)	
Total	249,994	0.4%	33,146	11.1 %	2,106	–	3,397	–

*ADK group companies are on slide xx

Consolidated B/S Sep.30

(Millions of Yen)

Assets	2009	2010	2011
Current Assets			
Cash and Deposits	21,605	20,938	24,872
Notes and Accounts Receivable-trade	87,957	82,475	81,452
Short-term Investment Securities	2,145	3,756	4,170
Inventories	8,824	9,952	9,438
Other	2,401	3,523	2,173
Allowance for Doubtful Accounts	(677)	(335)	(295)
Total Current Assets	122,255	120,311	121,812
Noncurrent Assets			
Property, Plant and Equipment	3,938	3,764	4,341
Intangible Assets	1,892	1,395	2,076
Investments and Other Assets			
Investment Securities	49,215	49,741	39,442
Other	10,525	10,619	10,316
Allowance for Doubtful Accounts	(1,592)	(1,910)	(1,999)
Total Investments and Other Assets	58,147	58,449	47,759
Total Noncurrent Assets	63,967	63,610	54,178

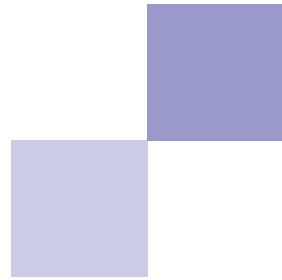
Total Assets	183,780	183,921	175,991
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Liabilities	2009	2010	2011
Current Liabilities			
Notes and Accounts Payable-trade	66,536	66,062	63,509
Short-term Loans Payable	119	107	78
Other	8,129	8,245	10,475
Total Current Liabilities	74,784	74,414	74,062
Noncurrent Liabilities			
Long-term Loans Payable	270	1,046	591
Provision	2,207	2,455	1,716
Other	1,096	1,893	1,938
Total Noncurrent Liabilities	3,574	5,395	4,246
Total Liabilities	78,358	79,809	78,309

Net Assets	2009	2010	2011
Shareholders' Equity			
Capital Stock	37,581	37,581	37,581
Capital Surplus	20,023	20,024	20,023
Retained Earnings	51,543	48,543	46,371
Treasury stock	(6,970)	(7,743)	(7,656)
Total Shareholder's Equity	102,178	98,405	96,320
Valuation and Translation Adjustments			
Valuation Difference on Available-for-sale Securities	(2,853)	5,843	2,202
Deferred Gains or Losses on Hedges	(19)	(84)	(104)
Foreign Currency Translation Adjustment	(606)	(1,042)	(1,683)
Total Valuation and Translation Adjustments	2,226	4,716	413
Minority Interests	1,015	990	947
Total Net Assets	105,421	104,111	97,681

Total Liabilities and Net Assets	183,780	183,921	175,991
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Consolidated capital adequacy ratio excluding minority Interests : 55.0%



Appendix

Non-consolidated P/L

(Millions of Yen)

	2010 Jan-Sep.	2011 Jan-Sep.	Increase (Decrease)	Y-o-Y Change
Gross Billings	220,946	219,112	(1,833)	-0.8%
Gross Profit	22,139	24,679	2,539	11.5%
<i>Gross Margin</i>	10.0%	11.3%	-	+1.3pts.
SG&A Expenses	24,398	23,482	(915)	-3.8%
(Staff Cost)	16,346	16,133	(213)	-1.3%
Operating Income	(2,258)	1,196	3,455	-
Ordinary Income	(915)	2,320	3,235	-
Income before Income taxes	(54)	3,721	3,775	-
Net Income	1,055	1,971	915	86.8%
Operating Margin	-10.2%	4.8%		
Staff Cost / Gross Profit	73.8%	65.4%		

Non-consolidated Performance

(Millions of Yen)

	2010 Jan-Sep.	2011 Jan-Sep	Increase (Decrease)	Y-o-Y Change
Newspaper	15,495	14,222	(1,273)	-8.2%
Magazine	11,382	9,779	(1,602)	-14.1%
Television	103,845	105,777	1,932	1.9%
Time*	39,782	40,531	748	1.9%
Spot	56,663	56,798	135	0.2%
Content	7,398	8,447	1,048	14.2%
Radio	2,035	2,354	318	15.6%
4 Mass Media	132,758	132,133	(624)	-0.5%
Digital Media	6,425	5,912	(504)	-7.9%
OOH Media	6,708	6,280	(427)	-6.4%
Marketing & Promotion	42,687	36,778	(5,908)	-13.8%
Creative	26,415	31,675	5,259	19.9%
Other	5,950	6,323	372	6.3%
Non-mass Media	88,188	86,978	(1,209)	-1.4%
Total	220,946	219,112	-1,833	-0.8%

*Time : Program sponsored ads

"Digital Media" includes the Internet and mobile media. Digital Solution business such as web creation is included in "Marketing and Promotion".

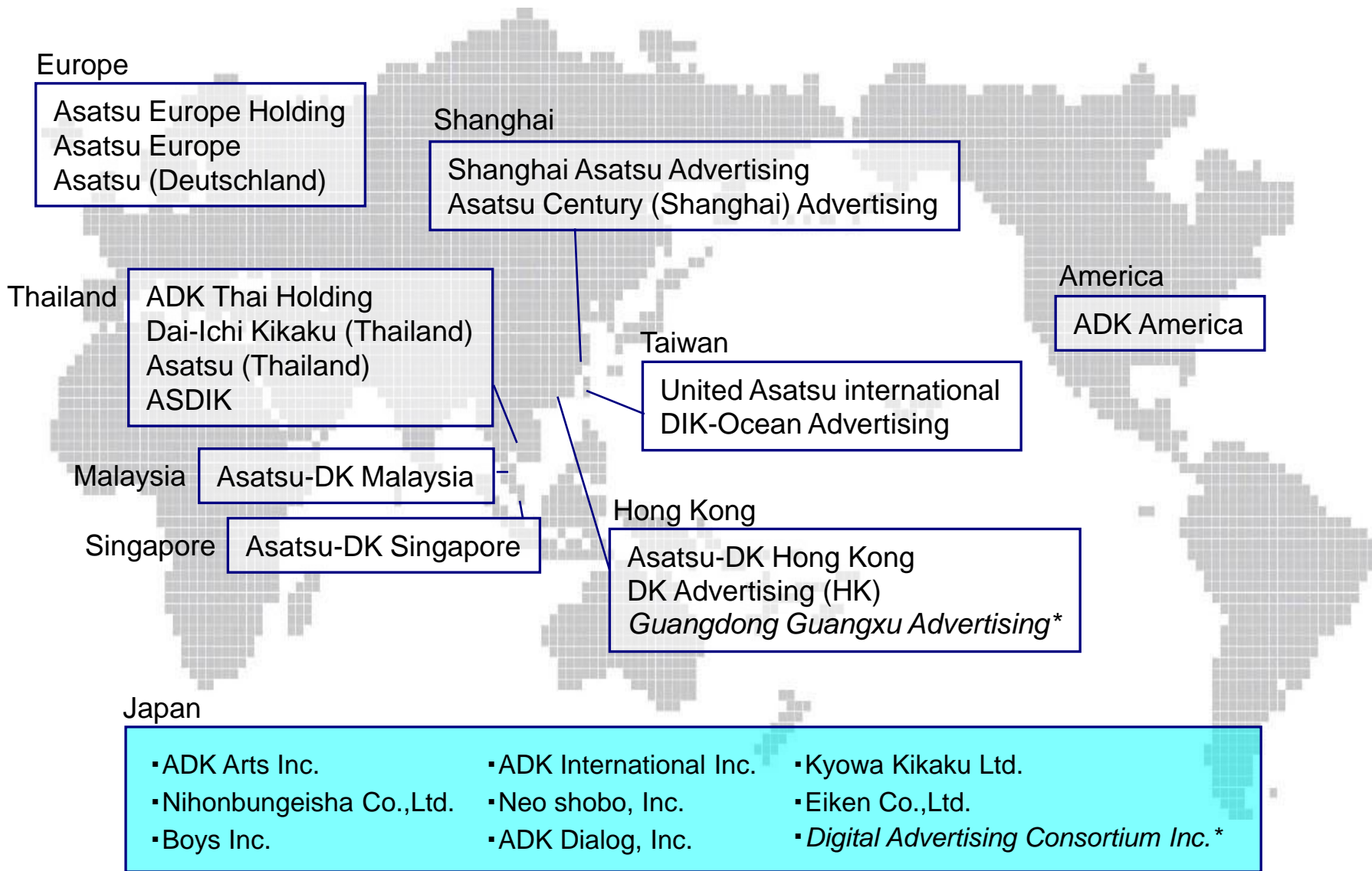
"OOH (Out of Home) Media includes transit advertising, out door advertising, and newspaper inserts, etc.

"Marketing and Promotion" includes marketing, communications planning, sales promotion, event, PR, EXPO related business, and digital solution business.

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	2,986	1.4%	(194)	-6.1%
Food	23,884	10.9%	(1,083)	-4.3%
Beverages / Tobacco products	14,951	6.8%	2,124	16.6%
Pharmaceuticals / Medical supplies	11,513	5.3%	1,902	19.8%
Cosmetics / Toiletry goods	24,668	11.3%	(553)	-2.2%
Apparel / Jewelry	6,215	2.8%	375	6.4%
Precision instruments / Office equipment	1,418	0.6%	(3)	-0.3%
Electric machines / AV equipment	2,117	1.0%	(18)	-0.9%
Automobiles / Auto-related products	10,928	5.0%	1,047	10.6%
Household products	2,363	1.1%	(66)	-2.7%
Hobbies / Sporting goods	15,464	7.1%	994	6.9%
Real estate / Housing	5,738	2.6%	79	1.4%
Publications	2,117	1.0%	(593)	-21.9%
Information / Communications	26,588	12.1%	(483)	-1.8%
Distribution / Retail	16,011	7.3%	(3,243)	-16.8%
Finance / Insurance	18,911	8.6%	765	4.2%
Transportation / Leisure	7,860	3.6%	(1,467)	-15.7%
Restaurants / Other services	5,197	2.4%	502	10.7%
Government / Organization	6,929	3.2%	(804)	-10.4%
Education / Health care services / Religion	4,554	2.1%	645	16.5%
Classified ads / other	8,689	4.0%	(1,759)	-16.8%
Total	219,112	100.0%	(1,833)	-0.8%



*Affiliates accounted for by the equity method



Note on Forward-looking Statements:

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