

3rd Quarter Results for FY2012

2012 January to September

ASATSU-DK INC. (Securities Code:9747)

November 9, 2012

The ADK logo is a dark blue square with the letters "ADK" in white, bold, sans-serif font. It is positioned in the bottom right corner of the slide, above a decorative blue wave graphic that spans the width of the page.

ADK

Consolidated Performance

2012 Jan - Sep

3Q Financial Summary - Consolidated

Consolidated Gross Billings and Gross Profit

- Gross Billings : ¥ 260,268 million (+4.1% Y-o-Y)
- Gross Profit : ¥34,083 million (+2.8% Y-o-Y)
- Gross Profit Ratio : 13.1% (Same Period of Previous year: 13.3% -0.2pts Y-o-Y)
 - ADK Parent: Gross billings decreased and gross profit ratio down in Jul-Sep.
 - Subsidiaries in Japan: Advertising companies slowed down comparing with 1st H
 - Subsidiaries Overseas: Healthy performance in Thailand, Hong Kong and Taiwan remained strong.

Consolidated Operating Income and Net Income

- Operating Income : ¥2,121million (+0.8% Y-o-Y)
- Ordinary Profit : ¥3,725 million (+ 9.7% Y-o-Y)
- Net Income : ¥1,847million (+40.3% Y-o-Y)
 - ADK Parent: Operating Income decreased because control of SGA expenses couldn't cover decline in gross profit
 - Good performance in overseas subsidiaries but subsidiaries in Japan reported operating loss in total, as a results consolidated operating profit remained flat.

3Q Consolidated P/L - 1



(Millions of Yen)

	2011 Jan-Sep	2012 Jan-Sep	Increase (Decrease)	Y-o-Y Change
Gross Billings	249,994	260,268	10,274	4.1%
Gross Profit	33,146	34,083	936	2.8%
<i>Gross Margin</i>	13.3%	13.1%	–	–0.2pts.
SG&A Expenses	31,040	31,961	921	3.0%
(Staff Cost)	21,570	21,731	161	0.7%
Operating Income	2,106	2,121	15	0.8%
Ordinary Income	3,397	3,725	328	9.7%
Income before Income taxes and Minority Interests	3,562	2,542	(1,020)	–28.6%
Net Income	1,316	1,847	530	40.3%
Operating Margin	6.4%	6.2%		
Staff Cost / Gross Profit	65.1%	63.8%		

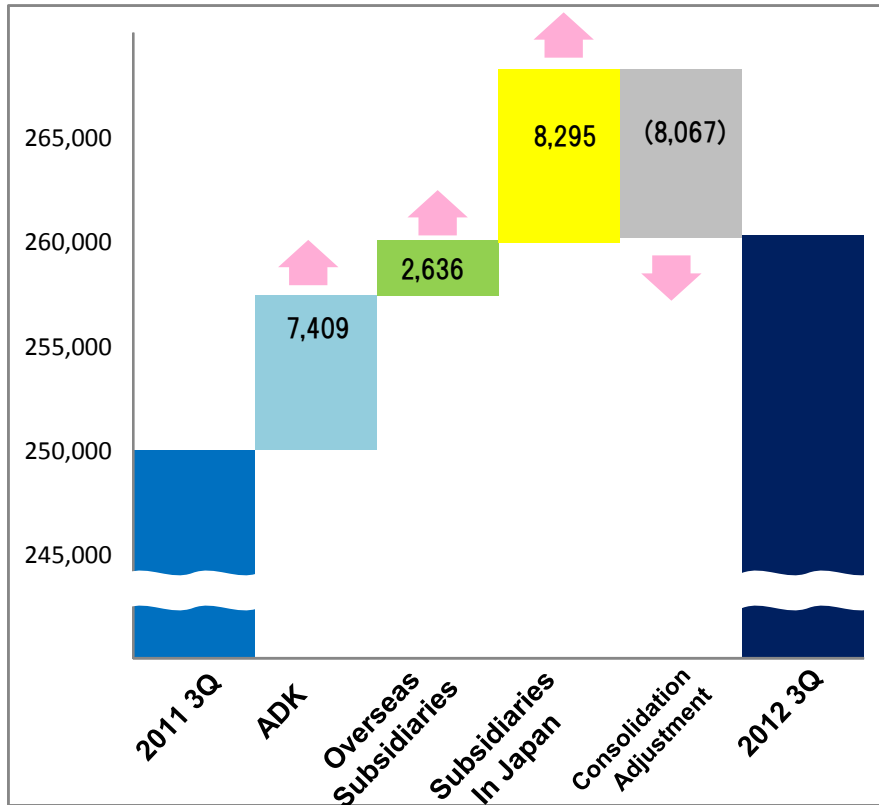
Gross Billings

ADK

(Millions of Yen)

	2011 Jan-Sep	2012 Jan-Sep	Increase/ Decrease	Y-o-Y change
Gross Billings	249,994	260,268	10,274	4.1%

(Millions of Yen)



◆ ADK

- Decrease in TV spot, Radio, Creative
- Increase in Marketing & Promotion

◆ Overseas subsidiaries

- Performance in Hong Kong: remained strong
- Shanghai: showed a slow down
- Thailand, North America remained strong

◆ Subsidiaries in Japan

- Advertising agency and production company reported increase
- Publishing company reported decrease

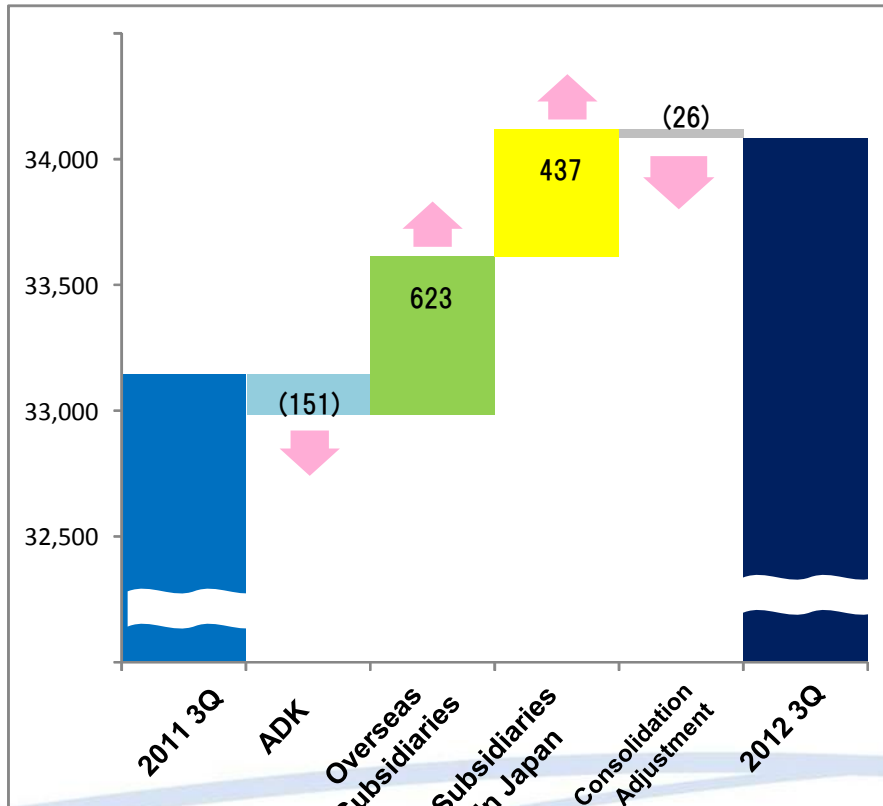
Gross Profit

ADK

(Millions of Yen)

	2011 Jan-Sep	2012 Jan-Sep	Increase/ Decrease	Y-o-Y change
Gross Profit	33,146	34,083	936	2.8%
<i>Gross Profit Ratio</i>	13.3%	13.1%	-	-0.2pts

(Millions of Yen)



◆ ADK

- Gross profit remained flat because gross billings didn't grow and Gross profit ratio didn't improve

◆ Overseas subsidiaries

- Gross profit increased

◆ Subsidiaries in Japan

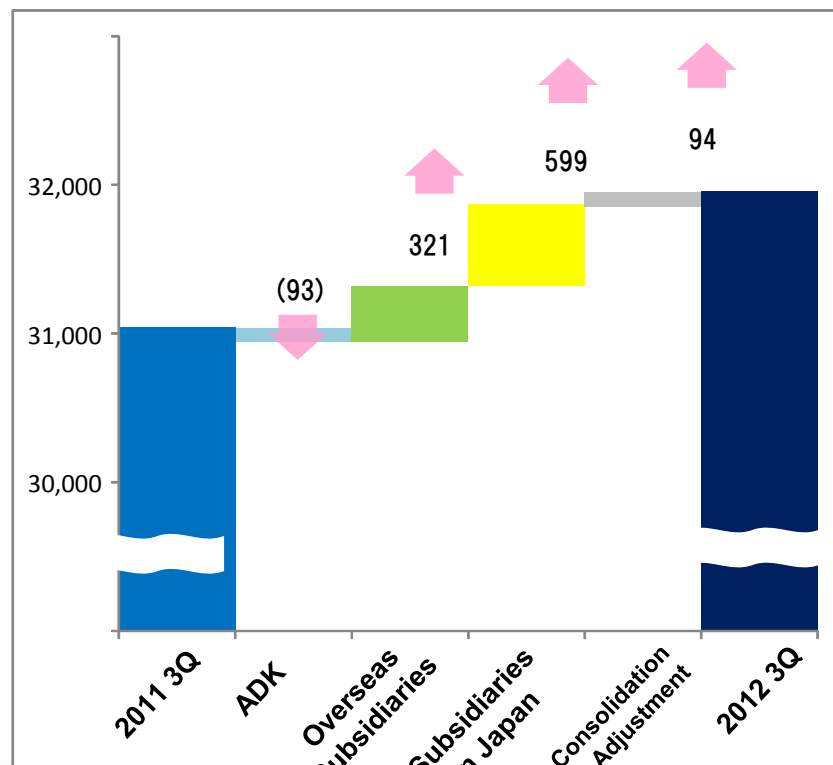
- Advertising: growth in gross profit
- Publishing: decrease in gross profit

SG&A Expenses

(Millions of Yen)

	2011 Jan-Sep	2012 Jan-Sep	Increase/ Decrease	Y-o-Y change
SG&A Expenses	31,040	31,961	921	3.0%
Staff Cost	21,570	21,731	161	0.7%
Other Cost	9,470	10,230	759	8.0%

(Millions of Yen)



◆ ADK

- Computer cost increased
- Staff cost remained flat

◆ Overseas Subsidiaries

- Staff cost increased in business growing areas

◆ Subsidiaries in Japan

- Number of staff increased because of merger
- A production company increased number of staff expecting business growth

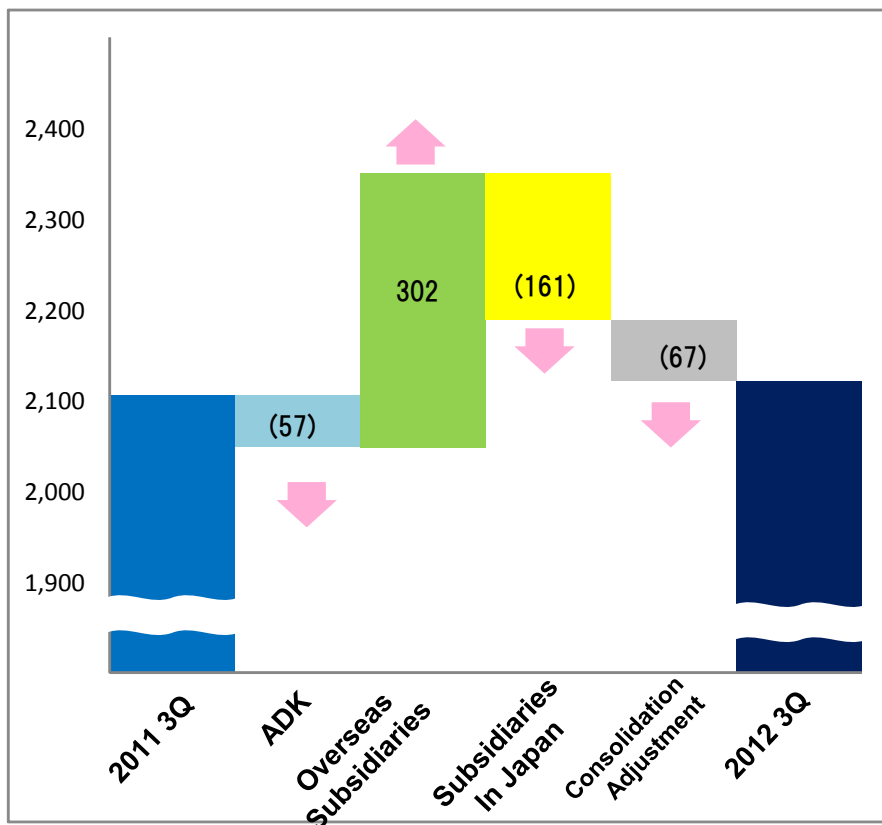
Operating Income



(Millions of Yen)

	2011 Jan-Sep	2012 Jan-Sep	Increase/ Decrease	Y-o-Y change
Operating Income	2,106	2,121	15	0.8%

(Millions of Yen)



Operating margin

	2010	2011	2012	Mid-term Goal
Jan-Sep	-5.1%	6.4%	6.2%	-
(Reference) Jan-Dec	0.1%	8.4%	-	13.2%

Staff Cost/Gross Profit

	2010	2011	2012	Mid-term Goal
Jan-Sep	71.2%	65.1%	63.8%	-
(Reference) Jan-Dec	67.3%	61.8%	-	59.0%

3Q Consolidated P/L - 2



(Millions of Yen)

	2011 Jan-Sep	2012 Jan-Sep	Increase (Decrease)	Y-o-Y Change
Operating Income	2,106	2,121	15	0.8%
Non-Operating Income	1,485	1,803	318	21.4%
Non-Operating Expenses	193	199	5	2.9%
Ordinary Income	3,397	3,725	328	9.7%
Extraordinary Income*	2,008	151	(1,856)	-92.4%
Extraordinary Loss*	1,842	1,334	(507)	-27.6%
Income before Income taxes and Minority Interests	3,562	2,542	(1,020)	-28.6%
Net Income	2,246	695	(1,550)	-69.0%
Operating Income	1,316	1,847	530	40.3%

*Extraordinary Income: Gain from sale of DAC shares in the previous year

*Extraordinary Loss: Special retirement benefit for ADK's early retirement program

3Q Consolidated P/L - 3

(Millions of Yen) (Year-on-Year Change)	Gross Billings	Gross Profit	Operating Income	Ordinary Income	Net Income
ADK	226,522 3.4%	24,528 -0.6%	1,138 -4.8%	2,596 11.9%	1,188 -39.7%
9 subsidiaries in Japan *1	36,630 29.3%	5,922 8.0%	(130) -	6 -89.5%	(214) -43.5%
6 subsidiaries in Greater China *2	12,274 13.8%	2,262 31.8%	808 67.3%	934 60.0%	746 61.1%
10 subsidiaries In Asia, Europe and USA *3	9,735 13.3%	1,610 5.1%	302 -7.0%	469 1.8%	370 9.4%
Consolidation Adjustment	(24,894)	(240)	2	(282)	(243)
Total	260,268 4.1%	34,083 2.8%	2,121 0.8%	3,725 9.7%	1,847 40.3%

*1 Newly consolidated ADK Digital Communications (For the details about consolidated subsidiaries, please refer to the page 16 of Appendix)

*2 Subsidiaries in Greater China: 6 subsidiaries in Shanghai, Taiwan and Hong Kong

*3 Asia, Europe and USA subsidiaries: 10 subsidiaries in Thailand, Malaysia, Singapore, Europe and the North America

Consolidated B/S Sep. 30



Assets	2010 3Q	2011 3Q	2012 3Q
Current Assets			
Cash and Deposits	20,938	24,872	21,664
Notes and Accounts Receivable-trade	82,475	81,452	79,338
Short-term Investment Securities	3,756	4,170	7,829
Inventories	9,952	9,438	8,245
Other	3,523	2,173	3,238
Allowance for Doubtful Accounts	(335)	(295)	(269)
Total Current Assets	120,311	121,812	120,046
Noncurrent Assets			
Property, Plant and Equipment	3,764	4,341	4,078
Intangible Assets	1,395	2,076	2,187
Investments and Other Assets			
Investment Securities	49,741	39,442	49,243
Other	10,619	10,316	9,475
Allowance for Doubtful Accounts	(1,910)	(1,999)	(1,341)
Total Investments and Other Assets	58,449	47,759	57,377
Total Noncurrent Assets	63,610	54,178	63,643
Total Assets	183,921	175,991	183,689

Liabilities	2010 3Q	2011 3Q	2012 3Q
Current Liabilities			
Notes and Accounts Payable-trade	66,062	63,509	65,047
Short-term Loans Payable	107	78	53
Other	8,245	10,475	7,461
Total Current Liabilities	74,414	74,062	72,562
Noncurrent Liabilities			
Long-term Loans Payable	1,046	591	328
Provision	2,455	1,716	1,693
Other	1,893	1,938	5,697
Total Noncurrent Liabilities	5,395	4,246	7,719
Total Liabilities	79,809	78,309	80,281
Net Assets			
Shareholders' Equity			
Capital Stock	37,581	37,581	37,581
Capital Surplus	20,024	20,023	13,244
Retained Earnings	48,543	46,371	44,525
Treasury stock	(7,743)	(7,656)	(767)
Total Shareholder's Equity	98,405	96,320	94,583
Valuation and Translation Adjustments			
Valuation Difference on Available-for-sale Securities	5,843	2,202	9,478
Deferred Gains or Losses on Hedges	(84)	(104)	(34)
Foreign Currency Translation Adjustment	(1,042)	(1,683)	(1,618)
Total Valuation and Translation Adjustments	4,716	413	7,825
Minority Interests	990	947	995
Total Net Assets	104,111	97,681	103,408
Total Liabilities and Net Assets	183,921	175,991	183,689

Consolidated capital adequacy ratio excluding minority interests : 55.8%

Appendix

- Non-consolidated P/L of ADK (parent)
- Performance of ADK (parent): break down by media
- Performance of ADK (parent): break down by industry
- ADK Group companies

Non-consolidated P/L



(Millions of Yen)

	2011 Jan-Mar	2012 Jan-Mar	Increase (Decrease)	Y-o-Y Change
Gross Billings	219,112	226,522	7,409	3.4%
Gross Profit	24,679	24,528	(151)	-0.6%
<i>Gross Margin</i>	11.3%	10.8%	–	-0.5pts.
SG&A Expenses	23,482	23,389	(93)	-0.4%
(Staff Cost)	16,133	15,575	(558)	-3.5%
Operating Income	1,196	1,138	(57)	-4.8%
Ordinary Income	2,320	2,596	276	11.9%
Income before Income taxes	3,721	1,468	(2,252)	-60.5%
Net Income	1,971	1,188	(782)	-39.7%
Operating Margin	4.8%	4.6%		
Staff Cost / Gross Profit	65.4%	63.5%		

Non-consolidated Performance



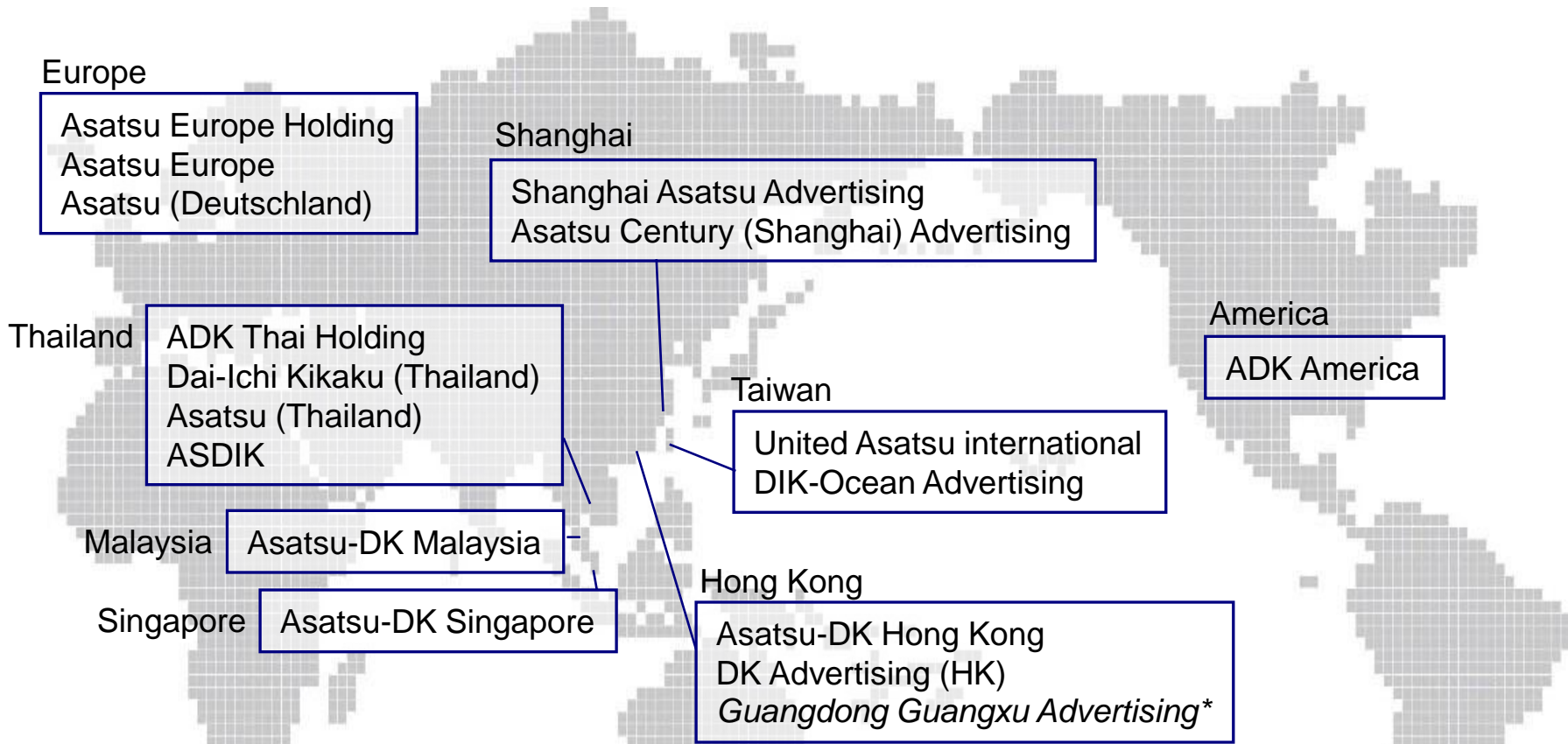
(Millions of Yen)	2011 Jan-Sep	2012 Jan-Sep	Increase (Decrease)	Y-o-Y Change
News Paper	9,779	10,138	358	3.7%
Magazine	14,222	14,427	205	1.4%
Television	105,777	106,330	552	0.5%
Time*	40,531	41,882	1,351	3.3%
Spot	56,798	54,278	(2,520)	-4.4%
Content	8,447	10,169	1,721	20.4%
Radio	2,354	2,241	(112)	-4.8%
4 Mass Media	132,133	133,137	1,003	0.8%
Digital Media	5,921	6,892	971	16.4%
OOH Media	6,280	6,914	633	10.1%
Marketing & Promotion	36,778	43,286	6,507	17.7%
Creative	31,675	30,099	(1,575)	-5.0%
Other	6,323	6,192	(130)	-2.1%
Non-mass Media	86,978	93,385	6,406	7.4%
Total	219,112	226,522	7,409	3.4%

Non-consolidated Gross Billings: Breakdown by Industry



(Millions of Yen)
Y-o-Y

	Gross Billings	Share of Total	Increase (Decrease)	Change
Energy / Raw materials / Machinery	3,418	1.5%	431	14.5%
Food	22,967	10.1%	(897)	-3.8%
Beverages / Tobacco products	19,805	8.7%	4,853	32.5%
Pharmaceuticals / Medical supplies	9,696	4.3%	(1,816)	-15.8%
Cosmetics / Toiletry goods	23,561	10.4%	(1,107)	-4.5%
Apparel / Jewelry	6,682	2.9%	466	7.5%
Precision instruments / Office equipment	1,494	0.7%	76	5.4%
Electric machines / AV equipment	2,354	1.0%	237	11.2%
Automobiles / Auto-related products	10,704	4.7%	(224)	-2.1%
Household products	2,353	1.0%	(10)	-0.4%
Hobbies / Sporting goods	16,128	7.1%	664	4.3%
Real estate / Housing	6,101	2.7%	363	6.3%
Publications	2,406	1.1%	289	13.7%
Information / Communications	25,380	11.2%	(1,208)	-4.5%
Distribution / Retail	19,811	8.7%	3,781	23.6%
Finance / Insurance	15,977	7.1%	(2,934)	-15.5%
Transportation / Leisure	8,177	3.6%	317	4.0%
Restaurants / Other services	4,580	2.0%	(617)	-11.9%
Government / Organization	7,212	3.2%	282	4.1%
Education / Health care services / Religion	6,016	2.7%	1,461	32.1%
Classified ads / other	11,690	5.2%	3,001	34.5%
Total	226,522	100.0%	7,409	3.4%



*Affiliates accounted for by the equity method

Japan

- ADK Arts Inc.
- ADK International Inc.
- Kyowa kikaku Ltd.
- Nihonbungeisha Co.,Ltd.
- Neo shobo Inc.
- Eiken Co.,Ltd.
- Boys Inc.
- ADK Dialog Inc.
- ADK Digital Communications Inc.



Note on Forward-looking Statements:

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