



# FY12/2014 Results

February 20, 2015  
ASATSU-DK, INC.  
( Listed on TSE, Security code : 9747 )

### < Disclaimer >

Forecasts and projections in this document are based upon assumptions and information that we believe are reasonable as of this date when this document was prepared, including those subject to risks, uncertainties and other factors that may cause actual results to differ materially from those projected.

### < Currency unit that is used in this document >

Unless specifically noted, all figures are described in millions of the Japanese Yen with figures smaller than one million rounding down. Therefore, sums may not equal the total or the subtotals.

### < Definition of the terms in this document >

- Operating Margin : Operating Income/Gross Profits
- Domestic subsidiaries : Domestic subsidiaries that are included in the consolidated accounting
- Chinese subsidiaries : Subsidiaries in the greater China including Taiwan and Hong Kong that are included in the consolidated accounting.
- Asia subsidiaries : Subsidiaries in Asia, excluding China, that are included in the consolidated accounting.
- Europe and US subsidiaries : Subsidiaries in Europe and the North America that are included in the consolidated accounting.
- TV : TV includes Time(Program), Spot, Content
- Content : Content includes Animation, Culture and Sports Marketing, etc.
- Digital Media : The Internet and mobile-related media  
(Note: Digital solutions such as Web creation are included in "Marketing & Promotion")
- OOH Media : Out-of-Home media such as transportation, outdoor advertising and insertions.
- Marketing & Promotion : Marketing, Communication Planning, Promotion, Events, PR, Exposition events and Digital Solutions, etc.



# Consolidated results

( January 1, 2014 ~ December 31, 2014 )

# Consolidated P/L



	2013 Jan - Dec	2014 Jan - Dec	Increase (decrease)	Y-o-Y Change	( Initial Forecast ) FY2014
Gross Billings	342,786	<b>352,984</b>	10,197	+3.0%	348,800
Gross Profit	45,104	<b>48,568</b>	3,463	+7.7%	47,550
Gross Profit Ratio	13.2%	<b>13.8%</b>			13.6%
SG&A Expenses	(43,721)	<b>(44,470)</b>	749	+1.7%	(43,850)
(Staff Cost)	(29,487)	<b>(29,871)</b>	384	+1.3%	(28,930)
Operating Income	1,383	<b>4,097</b>	2,713	+196.2%	3,700
Non-Operating Income	3,067	<b>3,355</b>			
Non-Operating Expenses	(123)	<b>(201)</b>			
Ordinary Income	4,327	<b>7,251</b>	2,924	+67.6%	5,600
Extraordinary Income	4,594	<b>1,284</b>			
Extraordinary Loss	(3,321)	<b>(2,102)</b>			
Income before Income taxes and Minority Interests	5,600	<b>6,433</b>	833	+14.9%	4,290
Income taxes	(2,113)	<b>(2,599)</b>			
Minority interests in income	(56)	<b>(137)</b>			
Net Income	3,430	<b>3,696</b>	265	+7.8%	2,770
Operating Margin	3.1%	<b>8.4%</b>			7.8%
Staff Cost / Gross Profit	65.4%	<b>61.5%</b>			60.8%

# Consolidated P/L ( by region )



Upper : FY2014 Lower : FY2013 Number of subsidiaries		Gross Billings	Y-o-Y	Gross Profit	Y-o-Y	Operating Income	Y-o-Y	Ordinary Income	Y-o-Y	Net Income	Y-o-Y
ADK(Parent)		306,718	+3.6%	34,662	+7.7%	3,130	+168.3%	5,950	+54.0%	3,484	+8.6%
		296,065	-2.4%	32,175	-1.9%	1,166	-13.0%	3,864	+17.2%	3,209	+107.9%
Japan	11	56,377	+6.4%	8,502	+10.3%	247	-	351	-	(167)	-
	8	52,979	+0.8%	7,709	-8.9%	(492)	-	(250)	-	(240)	-
Greater China	8	13,448	-14.9%	2,858	-5.1%	328	-34.7%	483	-30.0%	352	-34.9%
	7	15,812	-3.5%	3,011	+1.6%	502	-50.0%	690	-44.0%	540	-44.9%
Asia	13	12,384	+15.8%	2,514	+18.2%	501	+6.3%	778	+12.1%	593	+4.8%
	8	10,698	+15.0%	2,126	+21.8%	471	+5.5%	694	+12.1%	566	+13.8%
Europe and USA	5	5,505	+6.5%	556	+12.4%	(128)	-	(88)	-	(97)	-
	5	5,170	+39.8%	494	+18.5%	(49)	-	3	-93.4%	(31)	-
Consolidation Adjustment		(41,451)		(526)		17		(222)		(468)	
		(37,940)		(412)		(215)		(675)		(613)	
Total		352,984	+3.0%	48,568	+7.7%	4,097	+196.2%	7,251	+67.6%	3,696	+7.8%
		342,786	-2.3%	45,104	-2.3%	1,383	-56.4%	4,327	-18.6%	3,430	+23.3%

Japan : Newly consolidated 3 companies, excepted 0 companies in 2014.

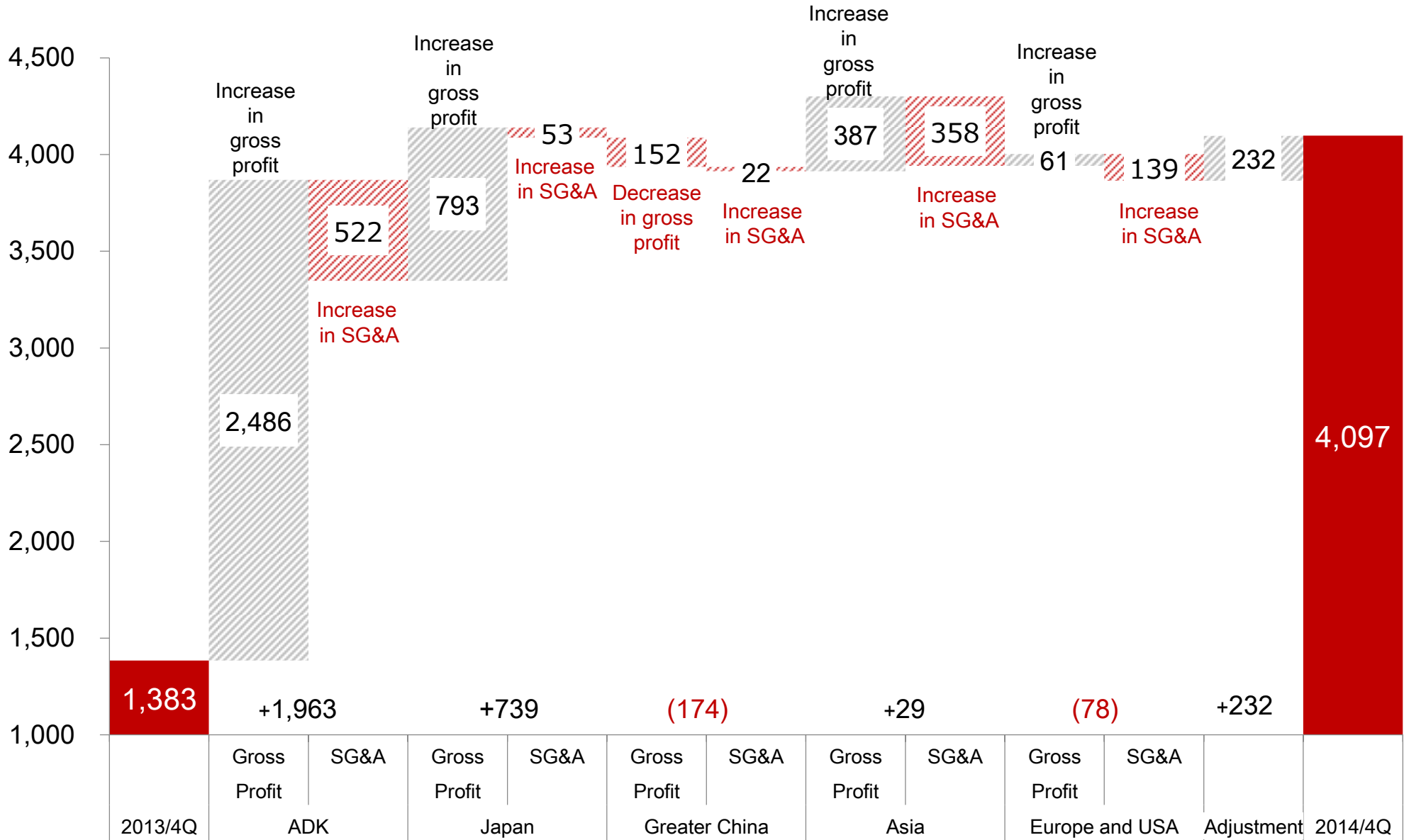
Greater China : Newly consolidated 1 companies, excepted 0 companies in 2014.

Asia : Newly consolidated 5 companies, excepted 0 companies in 2014.

Europe and USA : Newly consolidated 0 companies, excepted 0 companies in 2014.

( Please refer to Appendix for the list of consolidated subsidiaries )

# Operating Income



# Consolidated B/S



Assets	2013/12	2014/12	Increase (Decrease)
<b>Current Assets</b>			
Cash and Deposits	25,554	<b>32,738</b>	7,183
Notes and Accounts Receivable-trade	81,659	<b>87,112</b>	5,453
Short-term Investment Securities	11,371	<b>7,534</b>	(3,837)
Inventories	8,469	<b>8,088</b>	(381)
Other	2,391	<b>2,419</b>	28
Allowance for Doubtful Accounts	(514)	<b>(687)</b>	(173)
<b>Total Current Assets</b>	<b>128,932</b>	<b>137,205</b>	<b>8,273</b>
<b>Noncurrent Assets</b>			
Property, Plant and Equipment	3,392	<b>4,839</b>	1,446
Intangible Assets	2,132	<b>1,672</b>	(459)
Investments and Other Assets			
Investment Securities	84,829	<b>93,185</b>	8,355
Other	9,694	<b>7,172</b>	(2,522)
Allowance for Doubtful Accounts	(810)	<b>(756)</b>	54
Total Investments and Other Assets	93,713	<b>99,601</b>	5,887
<b>Total Noncurrent Assets</b>	<b>99,238</b>	<b>106,112</b>	<b>6,874</b>
<b>Total Assets</b>	<b>228,170</b>	<b>243,317</b>	<b>15,147</b>
<b>Equity Ratio</b>	<b>56.9%</b>	<b>55.1%</b>	
<b>ROE</b>	<b>2.9%</b>	<b>2.8%</b>	

Liabilities	2013/12	2014/12	Inc/(Dec)
<b>Current Liabilities</b>			
Notes and Accounts Payable-trade	65,997	<b>71,574</b>	5,577
Other	10,083	<b>12,278</b>	2,195
<b>Total Current Liabilities</b>	<b>76,080</b>	<b>83,853</b>	<b>7,772</b>
<b>Noncurrent Liabilities</b>			
Long-term Loans Payable	82	—	(82)
Deferred tax liabilities	18,802	<b>21,578</b>	2,776
Other	2,232	<b>2,885</b>	652
<b>Total Noncurrent Liabilities</b>	<b>21,116</b>	<b>24,464</b>	<b>3,347</b>
<b>Total Liabilities</b>	<b>97,197</b>	<b>108,317</b>	<b>11,120</b>
<b>Net Assets</b>			
<b>Shareholders' Equity</b>			
Capital Stock	37,581	<b>37,581</b>	—
Capital Surplus	11,982	<b>11,982</b>	0
Retained Earnings	44,303	<b>42,265</b>	(2,037)
Treasury stock	(651)	<b>(569)</b>	81
<b>Total Shareholder's Equity</b>	<b>93,216</b>	<b>91,260</b>	<b>(1,956)</b>
<b>Valuation and Translation Adjustments</b>			
Valuation Difference on Available-for-sale Securities	35,142	<b>40,118</b>	4,975
Deferred Gains or Losses on Hedges	1	<b>5</b>	4
Foreign Currency Translation Adjustment	1,513	<b>2,819</b>	1,306
Remesurements of defined benefit plans	—	<b>(20)</b>	(20)
<b>Total Valuation and Translation Adjustments</b>	<b>36,657</b>	<b>42,923</b>	<b>6,266</b>
<b>Subscription rights to shares</b>	<b>21</b>	<b>40</b>	<b>19</b>
<b>Minority Interests</b>	<b>1,077</b>	<b>775</b>	<b>(302)</b>
<b>Total Net Assets</b>	<b>130,972</b>	<b>134,999</b>	<b>4,026</b>
<b>Total Liabilities and Net Assets</b>	<b>228,170</b>	<b>243,317</b>	<b>15,147</b>

# Consolidated Statement of Cash Flows

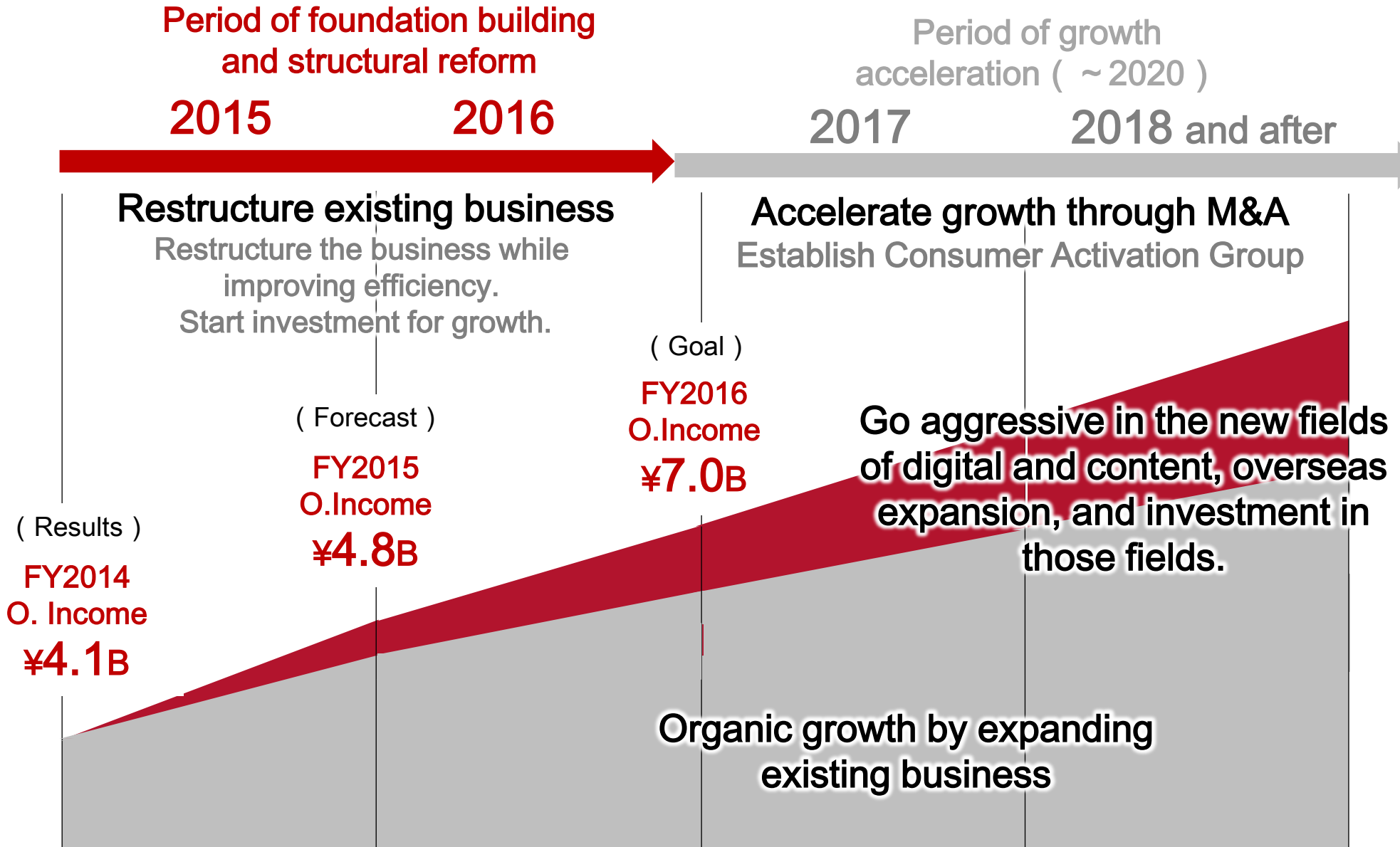


	2013 Jan - Dec	2014 Jan - Dec
<b>Net cash provided by operating activities</b>	<b>3,175</b>	<b>8,169</b>
Income before income taxes	5,600	6,433
Depreciation and amortization	1,582	1,384
Decrease (increase) in notes and accounts receivable	3,960	(5,081)
Increase (decrease) in notes and accounts payable	(1,585)	4,849
Other	(6,382)	584
<b>Net cash provided by (used in) investing activities</b>	<b>6,270</b>	<b>(177)</b>
Purchase of property, plant and equipment	(548)	(2,049)
Purchases of investment securities	(368)	(1,660)
Proceeds from sales of investment securities	9,152	1,745
Proceeds from collection of guarantee deposits	180	2,654
Other	(1,369)	(867)
<b>Net cash used in financing activities</b>	<b>(6,336)</b>	<b>(6,640)</b>
Net decrease (increase) in treasury stock	(1,168)	(367)
Cash dividends paid	(4,687)	(5,816)
Other	(479)	(457)
Foreign currency translation adjustments on cash and cash equivalents	1,880	846
<b>Net increase in cash and cash equivalents</b>	<b>4,990</b>	<b>2,197</b>
Cash and cash equivalents, beginning of the period	27,264	32,410
<b>Cash and cash equivalents, end of the period</b>	<b>32,410</b>	<b>35,082</b>





# FY12/2015 Forecast



## Towards VISION 2020

- ✓ Efforts in foundation building and structural reform are coming to fruition
  - ADK (Parent)'s profitability improved
  - Group subsidiaries rebuilding and restructuring at home & abroad
  - Tie-ups and M&A to shift to Consumer Activation Company
- ✓ Still on the way to optimization of capital allocation
  - Implement disposal of investment securities and special dividend at the scale of several billions of yen
  - But fail to improve ROE due to investment securities' appraisal gain of several hundreds of million yen,



## Reform capital allocation to enhance ROE

( 2.8% ⇒ 5% ⇒ 8% and over )

2014 results	2015 target	Mid-term goal
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## Towards VISION 2020

### 1 . Accelerate growth through M&A ⇒ Grow "R"

- ✓ Actively invest in the field of digital, activation and content business and synergize existing business in domestic and overseas markets  
(both legacy and growing areas)
- ✓ Assume to invest total of ¥40 billion by the end of 2018
- ✓ Plant seeds which we will harvest during the growth acceleration period after 2017
- ✓ Enhance a new cooperation with WPP Group

### 2 . Reform capital allocation radically, while securing cash needed for further growth ⇒ Optimize "E"

- ✓ Return excess capital to shareholders
- ✓ Continue shareholder return by means of dividend and repurchase
- ✓ Use financial leverage

## 【CAB achievements & sharing】

### 2014 results

Building a set of the infrastructure to improve PDCA that ensures initiating ideas and creative to activate consumers based on data analysis, and develop solutions accordingly.

- Tie-up with The Frameworks (Jan.) : Brand marketing
- Tie-up with Bull's Eye Communications (Feb.) : Magazine advertising, apparel
- Set up AXIVAL (Jun.) : Database, analytics
- Tie-up with 1-10 Design (Jul.) : Digital Creative
- Tie-up with adflex (Aug.) : Direct marketing

### 2015 major initiatives

- Expand a direct marketing field : Start JV with adflex
- Capture new and large accounts : Utilize Axival's data analytics

## 【Bolster content marketing business】

### 2014 achievements

Complement necessary resources to grow content marketing business

- Invest in Cool Japan Fund (Apr.) : Support Cool Japan business
- Establish Anime Consortium Japan (Oct.) : Content distribution
- Acquire shares in d-rights (Dec.) : Own and leverage content

### 2015 key initiatives

- ACJ : Improve DAISUKI for renewal  
( increasing the number of officially-qualified titles for simultaneous distribution, aiming to make it a leading platform )
- d-rights : Expand income, leveraging its success in the US such as Bayblade  
( to be financially consolidated from FY2015 )
- Show ADK's coordination and producing capabilities in large scale of projects such as "Kabuki One Piece"

⇒ Become a global content marketing company and expand income

## 【ADK (Parent)】

- Improve income management by the introduction of a unit-based performance management indicator and a thorough implementation
- Enhance added values and make resources more efficient
- Start operating a system that operates the income management efficiently

Improve ADK (Parent)'s gross profit ratio

FY2015 forecast : **11.5%** ( +0.2pt )

## 【Domestic group subsidiaries】

- Identify the role of each subsidiary and create synergies
- Promote business restructuring and infrastructure-sharing

### Nihon Bungeisha

- ✓ Control the volume of publication and headcounts, aiming to turn to be profitable

### Kyowa Kikaku

- ✓ Curb selling, general and administrative expenses
- ✓ Clarify the division of the roles played by ADK (Parent) and itself to promote cooperation

### ADK Arts

- ✓ Boost in-house production and trim selling, general and administrative expenses
- ✓ Further cost control and enhance functions to handle more orders
- ✓ Expand the studio business (post production)



## 【Overseas group subsidiaries】

- Streamline the operation while controlling cost of loss-making offices
- Concentrate on key areas while merging/closing some offices
- Network solution capabilities

### Greater China

- ✓ Hire managers locally
- ✓ Start office capabilities sharing
- ✓ Bolster response capabilities in the fields of activation and digital

# Forecast for FY2015 (Consolidated)



	FY2014 Results	FY2015 Forecast	Increase (Decrease)	Y-o-Y Change
Gross Billings	352,984	358,000	5,015	+1.4%
Gross Profit	48,568	49,650	1,081	+2.2%
Gross Profit Ratio	13.8%	13.9%		+0.1pts
SG&A Expenses	(44,470)	(44,850)	(379)	+0.9%
(Staff Cost)	(29,871)	(30,090)	(218)	+0.7%
Operating Income	4,097	4,800	702	+17.2%
Ordinary Income	7,251	7,770	518	+7.1%
Income before Income taxes and Minority Interests	6,433	7,600	1,166	+18.1%
Net Income	3,696	4,750	1,053	+28.5%
Operating Margin	8.4%	9.7%		
Staff Cost / Gross Profit	61.5%	60.6%		

※Please refer Appendix for  
Non-consolidated forecast.

# Forecast for FY2015 by region (Consolidated)



Upper : FY2015 Lower : FY2014 Number of subsidiaries		Gross Billings	Y-o-Y	Gross Profit	Y-o-Y	Operating Income	Y-o-Y	Ordinary Income	Y-o-Y	Net Income	Y-o-Y
ADK		<b>310,000</b>	+1.1%	<b>35,500</b>	+2.4%	<b>3,400</b>	+8.6%	<b>6,100</b>	+2.5%	<b>3,830</b>	+9.9%
		306,718	+3.6%	34,662	+7.7%	3,130	+168.3%	5,950	+54.0%	3,484	+8.6%
Japan	11	<b>56,535</b>	+0.3%	<b>8,777</b>	+3.2%	<b>600</b>	+142.6%	<b>654</b>	+86.3%	<b>298</b>	-
	11	56,377	+6.4%	8,502	+10.3%	247	-	351	-	(167)	-
Greater China	8	<b>14,598</b>	+8.5%	<b>2,630</b>	-8.0%	<b>221</b>	-32.6%	<b>282</b>	-41.5%	<b>207</b>	-41.1%
	8	13,448	-14.9%	2,858	-5.1%	328	-34.7%	483	-30.0%	352	-34.9%
Asia	13	<b>13,513</b>	+9.1%	<b>2,608</b>	+3.7%	<b>616</b>	+23.0%	<b>836</b>	+7.5%	<b>684</b>	+15.3%
	13	12,384	+15.8%	2,514	+18.2%	501	+6.3%	778	+12.1%	593	+4.8%
Europe and USA	5	<b>5,874</b>	+6.7%	<b>660</b>	+18.8%	<b>(27)</b>	-	<b>5</b>	-	<b>(0)</b>	-
	5	5,505	+6.5%	556	+12.4%	(128)	-	(88)	-	(97)	-
Consolidation Adjustment		<b>(42,522)</b>		<b>(527)</b>		<b>(9)</b>		<b>(109)</b>		<b>(270)</b>	
		(41,451)		(526)		17		(222)		(468)	
Total		<b>358,000</b>	+1.4%	<b>49,650</b>	+2.2%	<b>4,800</b>	+17.2%	<b>7,770</b>	+7.1%	<b>4,750</b>	+28.5%
		352,984	+3.0%	48,568	+7.7%	4,097	+196.2%	7,251	+67.6%	3,696	+7.8%

Japan : Newly consolidated 1 companies, excepted 1 companies in 2015.

Greater China : Newly consolidated 0 companies, excepted 0 companies in 2015

Asia : Newly consolidated 0 companies, excepted 0 companies in 2015.

Europe and USA : Newly consolidated 0 companies, excepted 0 companies in 2015.

( Please refer to Appendix for the list of consolidated subsidiaries )



# Appendix

# Business Trend and Forecast



Consolidated	2013			2014						2015							
	1H	2H	Full Year	1H		2H		Full Year		1H		2H		Full Year			
	Actual	Actual	Actual	Actual	Y-on-Y	Actual	Y-on-Y	Actual	Y-on-Y	Actual	Y-on-Y	Forecast	Y-on-Y	Forecast	Y-on-Y		
Gross Billings	174,469	168,316	342,786	174,489	+0.0%	178,494	+6.0%	352,984	+3.0%	N/A						358,000	+1.4%
Gross Profit	23,046	22,058	45,104	24,625	+6.9%	23,942	+8.5%	48,568	+7.7%							49,650	+2.2%
GP Ratio	13.2%	13.1%	13.2%	14.1%		13.4%		13.8%								13.9%	
(SG&A Exp)	(21,238)	(22,483)	(43,721)	(22,497)	+5.9%	(21,973)	-2.3%	(44,470)	+1.7%							(44,850)	+0.9%
( Staff Cost )	(14,757)	(14,730)	(29,487)	(15,243)	+3.3%	(14,628)	-0.7%	(29,871)	+1.3%							(30,090)	+0.7%
Operating Income	1,807	(424)	1,383	2,128	+17.7%	1,968	-	4,097	+196.2%							4,800	+17.2%
Ordinary Income	3,381	945	4,327	3,966	+17.3%	3,285	+247.3%	7,251	+67.6%							7,770	+7.1%
Income before Income taxes and Minority Interests	3,624	1,975	5,600	2,488	-31.3%	3,944	+99.7%	6,433	+14.9%							7,600	+18.1%
Net Income	2,114	1,315	3,430	1,255	-40.6%	2,440	+85.6%	3,696	+7.8%							4,750	+28.5%
Operating Margin	7.8%	-1.9%	3.1%	8.6%		8.2%		8.4%								9.7%	
Staff Cost/Gross Profit	64.0%	66.8%	65.4%	61.9%		61.1%		61.5%		60.6%							

Non-Consolidated	2013			2014						2015							
	1H	2H	Full Year	1H		2H		Full Year		1H		2H		Full Year			
	Actual	Actual	Actual	Actual	Y-on-Y	Actual	Y-on-Y	Actual	Y-on-Y	Actual	Y-on-Y	Forecast	Y-on-Y	Forecast	Y-on-Y		
Gross Billings	151,934	144,131	296,065	152,205	+0.2%	154,513	+7.2%	306,718	+3.6%	N/A						310,000	+1.1%
Gross Profit	16,740	15,434	32,175	18,096	+8.1%	16,565	+7.3%	34,662	+7.7%							35,500	+2.4%
GP Ratio	11.0%	10.7%	10.9%	11.9%		10.7%		11.3%								11.5%	
(SG&A Exp)	(15,013)	(15,995)	(31,008)	(16,103)	+7.3%	(15,428)	-3.5%	(31,531)	+1.7%							(32,100)	+1.8%
( Staff Cost )	(10,166)	(10,205)	(20,371)	(10,652)	+4.8%	(9,908)	-2.9%	(20,561)	+0.9%							(20,730)	+0.8%
Operating Income	1,727	(560)	1,166	1,993	+15.4%	1,137	-	3,130	+168.3%							3,400	+8.6%
Ordinary Income	3,199	664	3,864	3,864	+20.8%	2,085	+213.9%	5,950	+54.0%							6,100	+2.5%
Income before Income taxes	3,512	1,234	4,747	2,521	-28.2%	3,087	+150.1%	5,609	+18.2%							6,030	+7.5%
Net Income	2,132	1,076	3,209	1,541	-27.7%	1,942	+80.4%	3,484	+8.6%							3,830	+9.9%
Operating Margin	10.3%	-3.6%	3.6%	11.0%		6.9%		9.0%								9.6%	
Staff Cost/Gross Profit	60.7%	66.1%	63.3%	58.9%		59.8%		59.3%		58.4%							

# Non-Consolidated Gross Billings by Sector



	FY2013		FY2014		Y-on-Y	
	G Billings	Composition	G Billings	Composition	Inc/Dec	Inc/Dec%
Energy/Material/ machinery	4,221	1.4%	2,865	0.9%	(1,355)	-32.1%
Food	27,924	9.4%	25,109	8.2%	(2,815)	-10.1%
Beverage/Tobacco	23,800	8.0%	22,527	7.3%	(1,273)	-5.4%
Pharma/Medical supplies	14,779	5.0%	15,766	5.1%	987	+6.7%
Cosmetics/Toiletry	27,993	9.5%	32,698	10.7%	4,705	+16.8%
Apparel/Jewelry	12,262	4.1%	13,082	4.3%	819	+6.7%
Precision machinery/Office supplies	2,069	0.7%	2,435	0.8%	366	+17.7%
Home appliances/AV equipment	3,947	1.3%	2,878	0.9%	(1,069)	-27.1%
Automobile/Automobile-related Products	16,135	5.5%	18,358	6.0%	2,223	+13.8%
Household Goods	2,050	0.7%	1,288	0.4%	(761)	-37.1%
Hobbies/Sport Goods	19,670	6.6%	20,006	6.5%	336	+1.7%
Real Estate/Housing	8,684	2.9%	8,332	2.7%	(352)	-4.1%
Publishing	3,911	1.3%	2,902	0.9%	(1,008)	-25.8%
Information/Communication	27,420	9.3%	28,744	9.4%	1,324	+4.8%
Distribution/Retail	26,112	8.8%	27,904	9.1%	1,792	+6.9%
Finance/Insurance	26,388	8.9%	29,574	9.6%	3,185	+12.1%
Transportation/Leisure	9,473	3.2%	8,158	2.7%	(1,314)	-13.9%
Restaurants/Other service	7,235	2.4%	10,050	3.3%	2,815	+38.9%
Government/Organizations	10,989	3.7%	15,044	4.9%	4,054	+36.9%
Education/Medical Service/Religion	7,759	2.6%	5,788	1.9%	(1,971)	-25.4%
Signage/Other	13,234	4.5%	13,198	4.3%	(36)	-0.3%
Total	296,065	100.0%	306,718	100.0%	10,652	+3.6%

# Non-Consolidated Gross Billings by Media



	FY2013		FY2014		Y-on-Y	
	G Billings	Composition	G Billings	Composition	Inc/Dec	Inc/Dec%
Magazine	14,167	4.8%	13,205	4.3%	(961)	-6.8%
Newspaper	20,536	6.9%	19,148	6.2%	(1,388)	-6.8%
TV	136,207	46.0%	142,966	46.6%	6,759	+5.0%
Time	53,083	17.9%	54,615	17.8%	1,531	+2.9%
Spot	70,881	23.9%	75,196	24.5%	4,315	+6.1%
Content	12,241	4.1%	13,153	4.3%	911	+7.4%
Radio	3,066	1.0%	3,172	1.0%	105	+3.4%
<b>4 Media</b>	<b>173,977</b>	<b>58.8%</b>	<b>178,492</b>	<b>58.2%</b>	<b>4,515</b>	<b>+2.6%</b>
Digital Media	11,215	3.8%	16,058	5.2%	4,842	+43.2%
OOH Media	9,563	3.2%	7,509	2.4%	(2,053)	-21.5%
Marketing/Promotion	57,232	19.3%	63,202	20.6%	5,970	+10.4%
Creative	36,793	12.4%	36,051	11.8%	(741)	-2.0%
Other	7,282	2.5%	5,403	1.8%	(1,879)	-25.8%
Except for 4 Media	122,087	41.2%	128,225	41.8%	6,137	+5.0%
<b>Total</b>	<b>296,065</b>	<b>100.0%</b>	<b>306,718</b>	<b>100.0%</b>	<b>10,652</b>	<b>+3.6%</b>

# Non-Consolidated Gross Billings (on a monthly-basis )



	2014/1	2014/2	2014/3	2014/4	2014/5	2014/6	2014/7	2014/8	2014/9	2014/10	2014/11	2014/12	TOTAL
<b>Gross Billings</b>	<b>18,825</b>	<b>21,646</b>	<b>38,101</b>	<b>22,829</b>	<b>22,500</b>	<b>28,301</b>	<b>22,644</b>	<b>21,894</b>	<b>29,008</b>	<b>23,677</b>	<b>25,316</b>	<b>31,970</b>	<b>306,718</b>
Magazine	564	852	1,653	1,125	970	1,113	766	1,020	1,424	1,245	1,398	1,070	13,205
Newspaper	1,699	1,591	2,612	1,311	1,362	1,542	1,417	1,101	1,390	1,708	1,699	1,711	19,148
TV	9,737	11,149	13,931	12,101	11,442	12,088	10,933	10,718	11,755	11,396	13,232	14,477	142,966
Radio	239	210	234	253	245	246	254	282	334	289	304	276	3,172
Digital Media	780	1,007	1,584	1,173	1,238	1,431	1,192	1,086	1,541	1,604	1,520	1,894	16,058
OOH Media	522	389	1,184	790	442	558	666	601	663	396	482	810	7,509
Marketing/Promotion	2,690	3,273	10,102	3,537	4,136	7,401	4,745	4,562	7,807	3,707	3,832	7,406	63,202
Creative	2,184	2,666	5,595	2,217	2,510	3,406	2,381	2,288	3,629	2,930	2,463	3,778	36,051
Others	407	505	1,202	318	151	512	286	232	460	398	381	545	5,403

	2013/1	2013/2	2013/3	2013/4	2013/5	2013/6	2013/7	2013/8	2013/9	2013/10	2013/11	2013/12	TOTAL
<b>Gross Billings</b>	<b>18,283</b>	<b>22,327</b>	<b>36,048</b>	<b>25,362</b>	<b>23,342</b>	<b>26,569</b>	<b>21,333</b>	<b>20,139</b>	<b>26,783</b>	<b>22,166</b>	<b>23,967</b>	<b>29,741</b>	<b>296,065</b>
Magazine	676	1,035	1,501	1,327	1,142	1,197	901	982	1,488	1,397	1,431	1,083	14,167
Newspaper	1,633	1,740	2,206	1,620	1,749	1,966	1,773	1,210	1,515	1,519	1,811	1,787	20,536
TV	9,154	11,173	13,810	13,642	10,871	9,685	10,578	9,574	10,958	11,471	11,823	13,462	136,207
Radio	220	263	321	280	251	242	233	261	263	250	249	228	3,066
Digital Media	546	742	1,272	899	898	895	740	879	1,233	869	947	1,289	11,215
OOH Media	742	900	1,007	1,000	863	848	626	534	1,047	743	604	642	9,563
Marketing/Promotion	2,943	3,482	8,772	3,185	4,750	7,410	3,429	3,753	6,196	2,714	4,206	6,385	57,232
Creative	1,829	2,519	6,030	2,866	2,384	3,804	2,543	2,500	3,445	2,699	2,329	3,842	36,793
Others	534	469	1,125	539	429	518	505	442	635	499	564	1,019	7,282

	2012/1	2012/2	2012/3	2012/4	2012/5	2012/6	2012/7	2012/8	2012/9	2012/10	2012/11	2012/12	TOTAL
<b>Gross Billings</b>	<b>20,786</b>	<b>22,198</b>	<b>36,019</b>	<b>25,532</b>	<b>24,246</b>	<b>27,876</b>	<b>22,708</b>	<b>19,502</b>	<b>27,651</b>	<b>21,968</b>	<b>24,802</b>	<b>30,128</b>	<b>303,422</b>
Magazine	649	1,028	1,550	1,367	1,106	1,209	880	944	1,400	1,186	1,513	1,146	13,984
Newspaper	1,400	1,359	1,968	1,657	1,852	1,702	1,513	1,301	1,672	1,858	2,544	2,175	21,006
TV	10,323	11,670	15,100	13,019	12,399	12,327	11,675	9,112	10,701	11,140	11,371	13,165	142,007
Radio	244	232	303	243	217	252	260	246	239	282	279	272	3,075
Digital Media	579	859	1,170	839	655	847	721	550	669	618	700	813	9,024
OOH Media	685	691	1,183	1,078	620	784	531	510	829	594	523	904	8,937
Marketing/Promotion	4,151	3,050	8,099	4,094	4,150	5,580	3,576	4,097	6,485	3,525	4,911	7,001	58,726
Creative	2,279	2,679	5,607	2,695	2,405	4,669	2,987	2,298	4,476	2,167	2,033	3,801	38,102
Others	473	625	1,034	537	839	502	562	440	1,176	595	922	847	8,558



# Consolidated Marketable Securities Update



		2013/12		2014/12	
Current	■Short-term investment securities				
	Public and corporate bonds in investment trust	11,052		7,111	
	Bonds	0	0 Brands	0	0 Brands
	Investment trust, other	318	7 Brands	422	5 Brands
	<b>Total Current</b>	<b>11,371</b>		<b>7,534</b>	
Non current	■Investment Securities	84,829		93,185	
	Listed stock	81,421		89,071	
	WPP plc	72,052	31,295,646 shares ( hold 2.48% )	78,725	31,295,646shares ( hold 2.48% )
	Other listed shares	9,368	94 Brands	10,345	86 Brands
	Unlisted stock	3,033		4,004	
	Affiliates' shares	876	11 Brands	1,786	9 Brands
	Subsidiaries' shares	701	13 Brands	440	11 Brands
	Other unlisted shares	1,456	67 Brands	1,777	61 Brands
	Bonds	199	3 Brands	0	0 Brands
	Investment trust, other	175	2 Brands	109	2 Brands
	■Other				
Related companies' stake	275	5 Brands	399	6 Brands	
Stake	115	7 Brands	140	8 Brands	
	<b>Total Noncurrent</b>	<b>85,220</b>		<b>93,725</b>	

	Capital Investment			Depreciation Cost		
	ADK	Consolidated subsidiaries	Consolidated	ADK	Consolidated subsidiaries	Consolidated
Buildings	860	507	1,367	120	103	224
Structures	-	-	-	-	0	0
Automobiles	7	14	21	11	17	28
Equipment and fixtures	381	279	660	195	175	370
Land	-	-	-	-	-	-
Goodwill	-	-	-	-	14	14
Software	355	19	374	570	49	619
Lease assets	3	76	80	72	32	105
Other	-	-	-	11	10	22
<b>Total</b>	<b>1,608</b>	<b>896</b>	<b>2,505</b>	<b>980</b>	<b>403</b>	<b>1,384</b>

# Consolidated Staff Cost Indicators



	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
Gross Profit	41,367	42,028	45,836	46,169	45,104	48,568
SG&A	42,124	42,006	41,983	42,993	43,721	44,470
Staff Cost	27,729	28,276	28,338	28,838	29,487	29,871
Staff Cost / Gross Profit	67.0%	67.3%	61.8%	62.5%	65.4%	61.5%
Employees including subsidiaries	3,239	3,229	3,416	3,376	3,330	3,430
Employees excluding subsidiaries	2,060	1,936	1,925	1,916	1,841	1,869

(Yen)	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
EPS	1.73	(110.28)	54.37	65.83	81.79	88.32
Dividends per share	20	20	109	111	141	571
The total number of issued stock	45,155,400	45,155,400	45,155,400	42,655,400	42,155,400	42,155,400

# Impact on profit associated with forex and newly consolidated companies

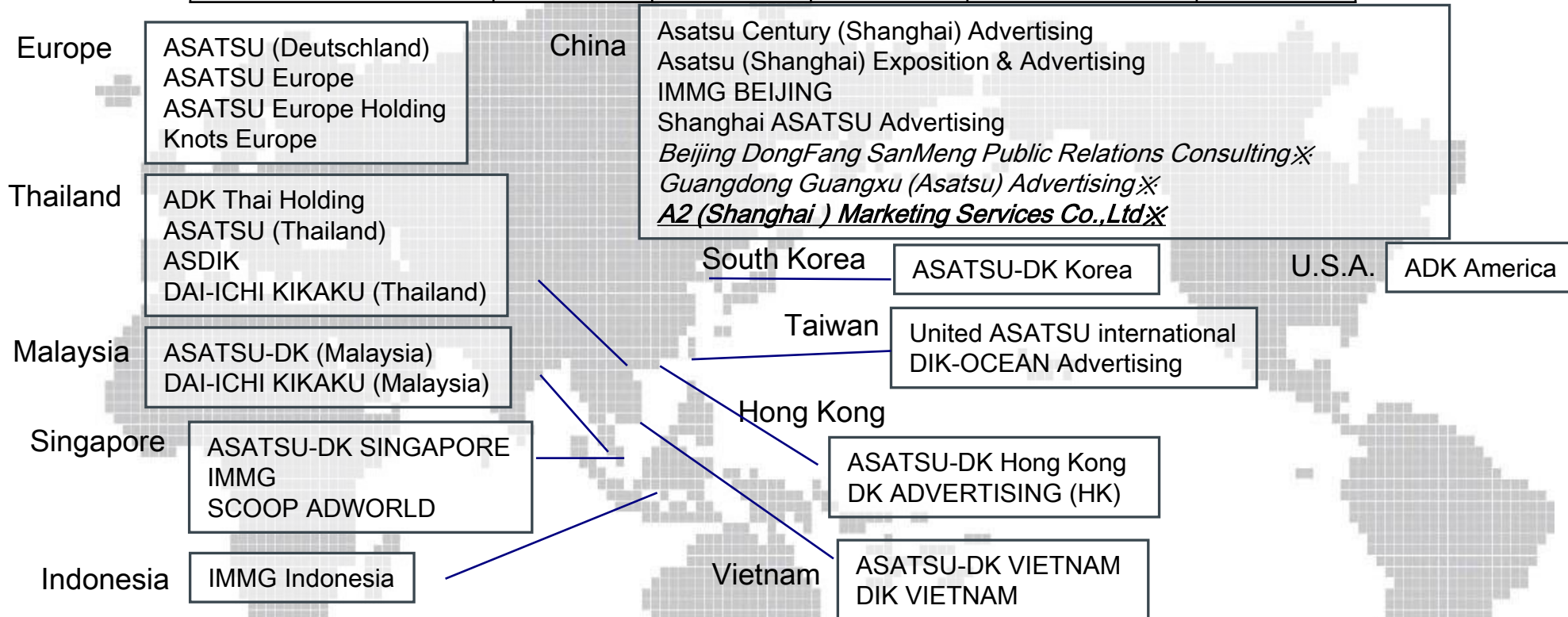


		Operating Income	Ordinary Income	Net Income
(A)	<b>Consolidated Actual Profit FY2014</b>	<b>4,097</b>	<b>7,251</b>	<b>3,696</b>
(B)	Forex impact in overseas affiliates	23	43	28
(C)	Forex impact on dividends paid by WPP	0	216	139
<b>(B)+(C) = (D)</b>	<b>Total Forex Impact</b>	<b>23</b>	<b>260</b>	<b>167</b>
	As proportion of Profit (D)/(A)	0.6%	3.6%	4.5%
(E)	<b>Impact incurred by newly consolidation*</b>	<b>(17)</b>	<b>24</b>	<b>12</b>
	As proportion of Profit (E)/(A)	-0.4%	0.3%	0.3%
<b>(D)+(E)=(F)</b>	<b>Total Impact incurred by forex fluctuations + newly consolidation</b>	<b>5</b>	<b>284</b>	<b>180</b>
	As proportion of Profit (F)/(A)	0.1%	3.9%	4.9%

\* Nine companies were newly consolidated for FY2014

# Consolidated companies (as of 2015/1/1)

	Japan	China	Asia	Europe and USA	Total
Consolidated subsidiary	11	8	13	5	37
Equity method affiliates	4	3	0	0	7
Total	15	11	13	5	44



**Japan**

Agency : ADK Arts, ADK International, Kyowa Kikaku, Boys, Eiken, ADK Dialogue, ADK Digital Communications, Right Song Music Publishing China Stories Drill※, ASP※, DA Search & Link※, Premier Cross Value※

Other : Nihon Bungeisha ADK Insurance Service, Biomedis Internarional

Underlined companies became either consolidated or equity method affiliates during the period under review

※ Equity method affiliate

ADK<