



1st Quarter Results for FY2015

January to March, 2015

May 12, 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, 2015 ~ March 31, 2015)

Consolidated P/L



	2014 Jan – Mar	2015 Jan – Mar	Increase (decrease)	Y-o-Y Change	(Initial Forecast) FY2015	Progress to the initial forecast
Gross Billings	90,423	92,062	1,639	+1.8%	358,000	25.7%
Gross Profit	13,608	13,399	(209)	-1.5%	49,650	
Gross Profit Ratio	15.1%	14.6%			13.9%	
SG&A Expenses	(11,915)	(11,073)	(841)	-7.1%	(44,850)	
(Staff Cost)	(8,407)	(7,889)	(518)	-6.2%	(30,090)	
Operating Income	1,693	2,325	632	+37.3%	4,800	48.4%
Non-Operating Income	289	346				
Non-Operating Expenses	(52)	(47)				
Ordinary Income	1,930	2,624	693	+35.9%	7,770	33.8%
Extraordinary Income	309	2				
Extraordinary Loss	(116)	(16)				
Income before Income taxes and Minority Interests	2,123	2,610	486	+22.9%	7,600	
Income taxes	(795)	(1,018)				
Minority interests in income	(46)	(51)				
Net Income	1,281	1,540	259	+20.2%	4,750	32.4%
Operating Margin	12.4%	17.4%			9.7%	
Staff Cost / Gross Profit	61.8%	58.9%			60.6%	

Consolidated P/L (by region)



Upper : FY2015 1Q Lower : FY2014 1Q 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)		81,174	+3.3%	9,854	-2.2%	2,160	+54.9%	2,319	+50.1%	1,501	+58.4%
		78,573	+2.5%	10,077	+17.3%	1,394	+80.9%	1,545	+74.7%	947	+70.2%
Japan	11	11,943	-11.6%	1,988	+1.0%	(25)	-	(7)	-	(86)	-
	11	13,510	+18.0%	1,968	+13.1%	(77)	-	(73)	-	(46)	-
Greater China	8	2,901	-3.9%	585	-1.1%	(67)	-	(47)	-	(63)	-
	8	3,020	-7.4%	592	+2.2%	10	-	32	-	25	-
Asia	13	4,608	+15.0%	938	+7.3%	282	-6.9%	325	-6.5%	261	-0.8%
	13	4,006	+9.3%	875	+17.5%	303	+31.4%	347	+33.4%	263	+20.6%
Europe and USA	5	1,510	-16.2%	156	-2.1%	(34)	-	(27)	-	(27)	-
	5	1,802	+32.0%	159	+25.1%	(0)	-	10	+23.1%	9	-5.1%
Consolidation Adjustment		(10,075)		(124)		11		61		(45)	
		(10,489)		(63)		63		67		81	
Total		92,062	+1.8%	13,399	-1.5%	2,325	+37.3%	2,624	+35.9%	1,540	+20.2%
		90,423	+3.0%	13,608	+17.2%	1,693	+152.1%	1,930	+110.4%	1,281	+151.5%

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

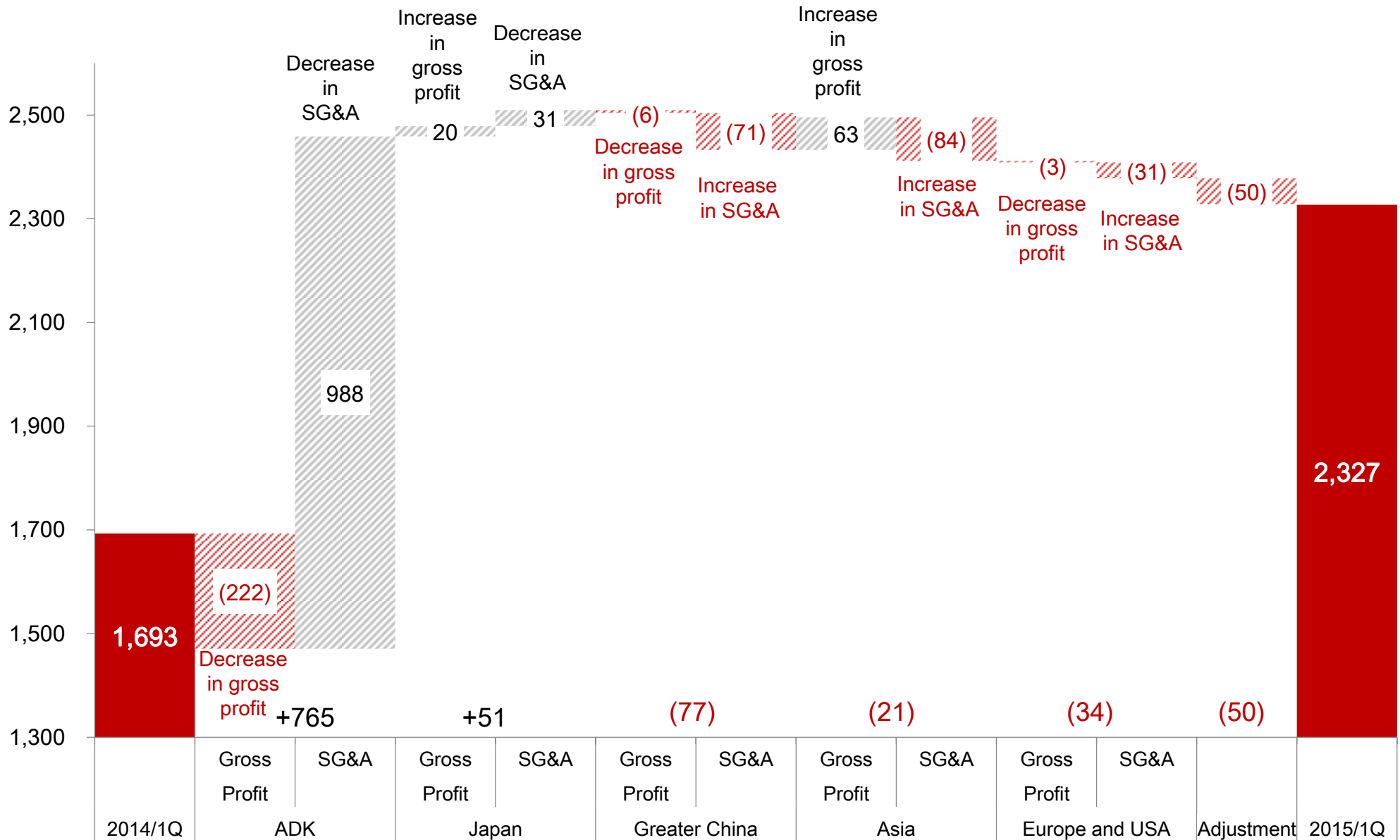
Greater China : Newly consolidated 0 companies, excepted 0 companies in 2015

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)

Operating Income



Consolidated B/S



Assets	2014/12	2015/3	Increase (Decrease)
Current Assets			
Cash and Deposits	32,738	29,034	(3,703)
Notes and Accounts Receivable-trade	87,112	87,073	(38)
Short-term Investment Securities	7,534	432	(7,101)
Inventories	8,088	8,355	266
Other	2,419	3,051	631
Allowance for Doubtful Accounts	(687)	(708)	(20)
Total Current Assets	137,205	127,237	(9,967)
Noncurrent Assets			
Property, Plant and Equipment	4,839	4,773	(65)
Intangible Assets	1,672	2,425	753
Investments and Other Assets			
Investment Securities	93,185	100,761	7,575
Other	7,172	7,715	543
Allowance for Doubtful Accounts	(756)	(754)	2
Total Investments and Other Assets	99,601	107,723	8,122
Total Noncurrent Assets	106,112	114,922	8,810
Total Assets	243,317	242,160	(1,157)
Equity Ratio	55.1%	49.4%	
ROE	2.8%	—	

Liabilities	2014/12	2015/3	Inc/(Dec)
Current Liabilities			
Notes and Accounts Payable-trade	71,574	72,756	1,182
Short-term loans payable	46	10,545	10,499
Other	12,231	13,496	1,264
Total Current Liabilities	83,853	96,799	12,945
Noncurrent Liabilities			
Net defined benefit liability	1,605	950	(654)
Deferred tax liabilities	21,578	22,289	711
Other	1,280	1,172	(108)
Total Noncurrent Liabilities	24,464	24,412	(51)
Total Liabilities	108,317	121,211	12,893
Net Assets			
Shareholders' Equity			
Capital Stock	37,581	37,581	—
Capital Surplus	11,982	11,982	—
Retained Earnings	42,265	20,944	(21,321)
Treasury stock	(569)	(561)	7
Total Shareholder's Equity	91,260	69,946	(21,313)
Valuation and Translation Adjustments			
Valuation Difference on Available-for-sale Securities	40,118	47,121	7,002
Deferred Gains or Losses on Hedges	5	0	(5)
Foreign Currency Translation Adjustment	2,819	2,473	(346)
Remeasurements of defined benefit plans	(20)	1	22
Total Valuation and Translation Adjustments	42,923	49,597	6,673
Subscription rights to shares	40	45	4
Minority Interests	775	1,359	584
Total Net Assets	134,999	120,948	(14,051)
Total Liabilities and Net Assets	243,317	242,160	(1,157)



Appendix

Business Trend and Forecast



Consolidated	FY2013						FY2014						FY2015					
	1Q			Full Year			1Q			Full Year			1Q			Full Year		
	Actual	Y-o-Y	Progress	Actual	Y-o-Y		Actual	Y-o-Y	Progress	Actual	Y-o-Y		Actual	Y-o-Y	Progress	Plan	Y-o-Y	
Gross Billings	87,778	-3.5%	25.6%	342,786	-2.3%		90,423	+3.0%	25.6%	352,984	+3.0%		92,062	+1.8%	25.7%	358,000	+1.4%	
Gross Profit	11,611	-13.6%		45,104	-2.3%		13,608	+17.2%		48,568	+7.7%		13,399	-1.5%		49,650	+2.2%	
GP Ratio	13.2%			13.2%			15.1%			13.8%			14.6%			13.9%		
(SG&A Exp)	(10,939)	-2.1%		(43,721)	+1.7%		(11,915)	+8.9%		(44,470)	+1.7%		(11,073)	-7.1%		(44,850)	+0.9%	
(Staff Cost)	(7,503)	-3.1%		(29,487)	+2.2%		(8,407)	+12.0%		(29,871)	+1.3%		(7,889)	-6.2%		(30,090)	+0.7%	
Operating Income	671	-70.3%	48.5%	1,383	-56.4%		1,693	+152.1%	41.3%	4,097	+196.2%		2,325	+37.3%	48.4%	4,800	+17.2%	
Ordinary Income	917	-63.8%	21.2%	4,327	-18.6%		1,930	+110.4%	26.6%	7,251	+67.6%		2,624	+35.9%	33.8%	7,770	+7.1%	
Income before Income taxes and Minority Interests	969	-61.5%		5,600	+37.6%		2,123	+119.0%		6,433	+14.9%		2,610	+22.9%		7,600	+18.1%	
Net Income	509	-65.1%	14.8%	3,430	+23.3%		1,281	+151.5%	34.7%	3,696	+7.8%		1,540	+20.2%	32.4%	4,750	+28.5%	
Operating Margin	5.8%			3.1%			12.4%			8.4%			17.4%			9.7%		
Staff Cost/Gross Profit	64.6%			65.4%			61.8%			61.5%			58.9%			60.6%		

Non-Consolidated	FY2013						FY2014						FY2015					
	1Q			Full Year			1Q			Full Year			1Q			Full Year		
	Actual	Y-o-Y	Progress	Actual	Y-o-Y		Actual	Y-o-Y	Progress	Actual	Y-o-Y		Actual	Y-o-Y	Progress	Plan	Y-o-Y	
Gross Billings	76,659	-3.0%	25.9%	296,065	-2.4%		78,573	+2.5%	25.6%	306,718	+3.6%		81,174	+3.3%	26.2%	310,000	+1.1%	
Gross Profit	8,591	-15.1%		32,175	-1.9%		10,077	+17.3%		34,662	+7.7%		9,854	-2.2%		35,500	+2.4%	
GP Ratio	11.2%			10.9%			12.8%			11.3%			12.1%			11.5%		
(SG&A Exp)	(7,819)	-5.0%		(31,008)	-1.5%		(8,682)	+11.0%		(31,531)	+1.7%		(7,694)	-11.4%		(32,100)	+1.8%	
(Staff Cost)	(5,170)	-8.7%		(20,371)	-0.9%		(6,079)	+17.6%		(20,561)	+0.9%		(5,364)	-11.8%		(20,730)	+0.8%	
Operating Income	771	-59.3%	66.1%	1,166	-13.0%		1,394	+80.9%	44.5%	3,130	+168.3%		2,160	+54.9%	63.5%	3,400	+8.6%	
Ordinary Income	884	-57.3%	22.9%	3,864	+17.2%		1,545	+74.7%	26.0%	5,950	+54.0%		2,319	+50.1%	38.0%	6,100	+2.5%	
Income before Income taxes	992	-51.8%		4,747	+143.8%		1,617	+63.1%		5,609	+18.2%		2,321	+43.5%		6,030	+7.5%	
Net Income	557	-53.9%	17.4%	3,209	+107.9%		947	+70.2%	27.2%	3,484	+8.6%		1,501	+58.4%	39.2%	3,830	+9.9%	
Operating Margin	9.0%			3.6%			13.8%			9.0%			21.9%			9.6%		
Staff Cost/Gross Profit	60.2%			63.3%			60.3%			59.3%			54.4%			58.4%		

Non-Consolidated Gross Billings by Sector



	FY2014 Jan-Mar		FY2015 Jan-Mar		Y-on-Y	
	G Billings	Composition	G Billings	Composition	Inc/Dec	Inc/Dec%
Energy/Material/ machinery	600	0.8%	764	0.9%	163	+27.2%
Food	5,846	7.4%	6,585	8.1%	739	+12.6%
Beverage/Tobacco	5,174	6.6%	6,277	7.7%	1,103	+21.3%
Pharma/Medical supplies	3,645	4.6%	3,642	4.5%	(3)	-0.1%
Cosmetics/Toiletry	6,463	8.2%	7,141	8.8%	677	+10.5%
Apparel/Jewelry	3,147	4.0%	3,209	4.0%	61	+2.0%
Precision machinery/Office supplies	447	0.6%	1,098	1.4%	650	+145.4%
Home appliances/AV equipment	500	0.6%	662	0.8%	161	+32.3%
Automobile/Automobile-related Products	5,001	6.4%	4,658	5.7%	(342)	-6.9%
Household Goods	204	0.3%	448	0.6%	243	+118.7%
Hobbies/Sport Goods	5,977	7.6%	5,988	7.4%	11	+0.2%
Real Estate/Housing	2,450	3.1%	3,152	3.9%	701	+28.6%
Publishing	1,118	1.4%	917	1.1%	(201)	-18.0%
Information/Communication	8,247	10.5%	9,221	11.4%	974	+11.8%
Distribution/Retail	6,858	8.7%	6,408	7.9%	(450)	-6.6%
Finance/Insurance	7,228	9.2%	7,164	8.8%	(63)	-0.9%
Transportation/Leisure	2,392	3.0%	2,197	2.7%	(194)	-8.1%
Restaurants/Other service	2,357	3.0%	2,093	2.6%	(263)	-11.2%
Government/Organizations	6,156	7.8%	4,642	5.7%	(1,513)	-24.6%
Education/Medical Service/Religion	2,134	2.7%	1,856	2.3%	(277)	-13.0%
Signage/Other	2,618	3.3%	3,041	3.7%	423	+16.2%
Total	78,573	100.0%	81,174	100.0%	2,601	+3.3%

Non-Consolidated Gross Billings by Media



	FY2014 Jan-Mar		FY2015 Jan-Mar		Y-on-Y	
	G Billings	Composition	G Billings	Composition	Inc/Dec	Inc/Dec%
Magazine	3,070	3.9%	3,132	3.9%	61	+2.0%
Newspaper	5,902	7.5%	5,273	6.5%	(629)	-10.7%
TV	34,818	44.3%	37,677	46.4%	2,858	+8.2%
Time	13,344	17.0%	14,332	17.7%	987	+7.4%
Spot	18,520	23.6%	19,961	24.6%	1,441	+7.8%
Content	2,953	3.8%	3,383	4.2%	429	+14.6%
Radio	685	0.9%	768	0.9%	82	+12.1%
4 Media	44,477	56.6%	46,851	57.7%	2,373	+5.3%
Digital Media	3,372	4.3%	4,236	5.2%	863	+25.6%
OOH Media	2,095	2.7%	2,057	2.5%	(37)	-1.8%
Marketing/Promotion	16,065	20.4%	16,155	19.9%	89	+0.6%
Creative	10,455	13.3%	10,021	12.3%	(424)	-4.1%
Other	2,115	2.7%	1,852	2.3%	(262)	-12.4%
Except for 4 Media	34,095	43.4%	34,323	42.3%	227	+0.7%
Total	78,573	100.0%	81,174	100.0%	2,601	+3.3%

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



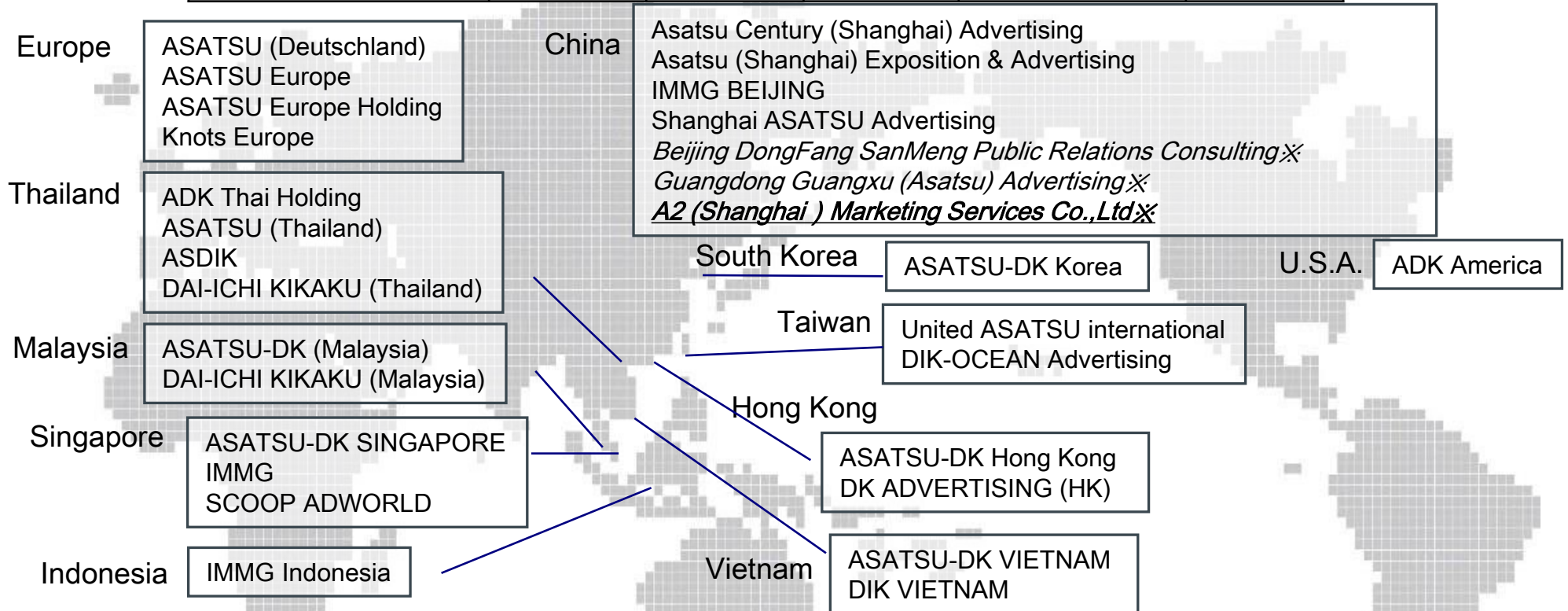
	2015/1	2015/2	2015/3	2015/4	2015/5	2015/6	2015/7	2015/8	2015/9	2015/10	2015/11	2015/12	TOTAL
Gross Billings	19,510	22,471	39,192										81,174
Magazine	544	1,034	1,553										3,132
Newspaper	1,553	1,534	2,184										5,273
TV	10,834	11,299	15,543										37,677
Radio	260	253	253										768
Digital Media	902	1,164	2,169										4,236
OOH Media	549	523	984										2,057
Marketing/Promotion	2,642	3,939	9,572										16,155
Creative	1,991	2,269	5,760										10,021
Others	230	451	1,170										1,852

	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
Gross Billings	18,825	21,646	38,101	22,829	22,500	28,301	22,644	21,894	29,008	23,677	25,316	31,970	306,718
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
Gross Billings	18,283	22,327	36,048	25,362	23,342	26,569	21,333	20,139	26,783	22,166	23,967	29,741	296,065
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

Consolidated companies (as of 2015/3/31)

	Japan	China	Asia	Europe and USA	Total
Consolidated subsidiary	12	8	13	5	38
Equity method affiliates	4	3	0	0	7
Total	16	11	13	5	45



Agency : ADK Arts, ADK International, Kyowa Kikaku, Boys, Eiken, ADK Dialogue, ADK Digital Communications, Right Song Music Publishing, China Stories, d-rights (Consolidated, end of March), *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<