



# First Nine months Results for FY12/2015

November 10, 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 - September 30, 2015 )

# Consolidated P/L



	2014	2015	Increase (decrease)	Y-o-Y Change	FY2015	
	Jan – Sep	Jan – Sep			forecast	Progress
Gross Billings	258,293	<b>257,004</b>	(1,289)	-0.5%	358,000	71.8%
Gross Profit	35,723	<b>35,297</b>	(425)	-1.2%	49,650	
Gross Profit Ratio	13.8%	<b>13.7%</b>			13.9%	
(SG&A Expenses)	(33,141)	<b>(32,457)</b>	(684)	-2.1%	(44,850)	
(Including Staff Cost)	(22,471)	<b>(22,222)</b>	(249)	-1.1%	(30,090)	
Operating Income	2,581	<b>2,840</b>	258	+10.0%	4,800	59.2%
Non-Operating Income	2,280	<b>2,662</b>				
Non-Operating Expenses	173	<b>(154)</b>				
Ordinary Income	4,689	<b>5,348</b>	658	+14.1%	7,770	68.8%
Extraordinary Income	1,115	<b>402</b>				
Extraordinary Loss	2,023	<b>322</b>				
Income before Income Taxes and Minority Interests	3,780	<b>5,429</b>	1,648	+43.6%	7,600	71.4%
Income taxes	1,760	<b>(2,389)</b>				
Minority Interests in Income	99	<b>(24)</b>				
Net Income	1,920	<b>3,015</b>	1,095	+57.0%	4,750	63.5%
Operating Margin	7.2%	<b>8.0%</b>			9.7%	
Staff Cost / Gross Profit	62.9%	<b>63.0%</b>			60.6%	

# Consolidated P/L ( by Region )



Upper : FY2015 3Q Lower : FY2014 3Q 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)		<b>226,005</b>	<b>+0.1%</b>	<b>24,714</b>	<b>-5.1%</b>	<b>2,583</b>	<b>+6.2%</b>	<b>5,922</b>	<b>+34.9%</b>	<b>4,314</b>	<b>+93.6%</b>
		225,754	+2.5%	26,029	+8.3%	2,432	+102.8%	4,391	+38.5%	2,228	+114.3%
Japan	12	<b>37,856</b>	<b>-5.0%</b>	<b>6,245</b>	<b>+5.8%</b>	<b>(97)</b>	-	<b>(19)</b>	-	<b>(393)</b>	-
	11	39,838	+5.5%	5,900	+8.8%	(232)	-	(153)	-	(545)	-
Greater China	8	<b>9,408</b>	<b>+2.0%</b>	<b>1,962</b>	<b>+2.4%</b>	<b>5</b>	<b>-93.4%</b>	<b>140</b>	<b>-30.6%</b>	<b>12</b>	<b>-91.8%</b>
	8	9,223	-19.8%	1,915	-11.0%	89	-70.5%	202	-45.5%	148	-51.3%
Asia	13	<b>10,405</b>	<b>+15.4%</b>	<b>2,233</b>	<b>+20.2%</b>	<b>540</b>	<b>+56.7%</b>	<b>772</b>	<b>+41.0%</b>	<b>630</b>	<b>+48.0%</b>
	13	9,014	+13.0%	1,857	+20.1%	344	+20.6%	547	+19.0%	425	+12.0%
Europe and USA	6	<b>3,008</b>	<b>-28.5%</b>	<b>464</b>	<b>+14.7%</b>	<b>(116)</b>	-	<b>(82)</b>	-	<b>(82)</b>	-
	5	4,206	+2.3%	405	+8.5%	(64)	-	(34)	-	(14)	-
Consolidation Adjustment		<b>(29,679)</b>		<b>(321)</b>		<b>(75)</b>		<b>(1,385)</b>		<b>(1,465)</b>	
		(29,742)		(383)		12		(265)		(322)	
Total		<b>257,004</b>	<b>-0.5%</b>	<b>35,297</b>	<b>-1.2%</b>	<b>2,840</b>	<b>+10.0%</b>	<b>5,348</b>	<b>+14.1%</b>	<b>3,015</b>	<b>+57.0%</b>
		258,293	+1.8%	35,723	+7.5%	2,581	+140.5%	4,689	+57.2%	1,920	+301.1%

Japan : Newly consolidated 2 companies, excepted 1 companies in 2015.

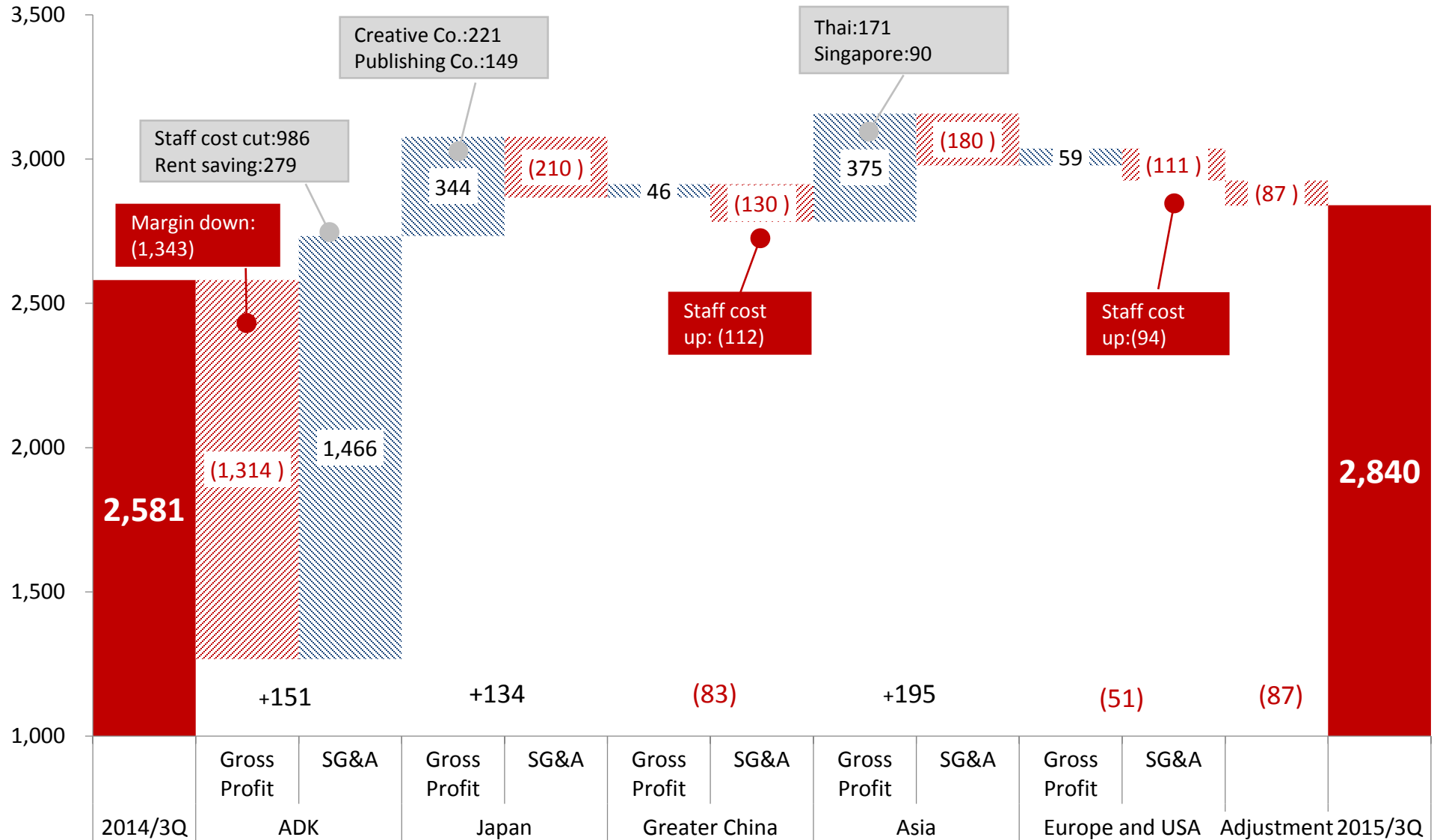
Greater China : Newly consolidated 0 companies, excepted 0 companies in 2015.

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

Europe and USA : Newly consolidated 1 companies, excepted 0 companies in 2015.

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

# Operating Income



# Consolidated B/S



Assets	2014/12	2015/9	Increase (Decrease)
<b>Current Assets</b>			
Cash and Deposits	32,738	<b>22,525</b>	(10,212)
Notes and Accounts Receivable-trade	87,112	<b>73,448</b>	(13,664)
Short-term Investment Securities	7,534	<b>1,703</b>	(5,830)
Inventories	8,088	<b>8,673</b>	584
Other	2,419	<b>2,996</b>	576
Allowance for Doubtful Accounts	(687)	<b>(495)</b>	191
<b>Total Current Assets</b>	<b>137,205</b>	<b>108,850</b>	(28,354)
<b>Noncurrent Assets</b>			
Property, Plant and Equipment	4,839	<b>4,935</b>	96
Intangible Assets	1,672	<b>2,259</b>	587
Investments and Other Assets			
Investment Securities	93,185	<b>92,518</b>	(667)
Other	7,172	<b>6,064</b>	(1,108)
Allowance for Doubtful Accounts	(756)	<b>(770)</b>	(13)
Total Investments and Other Assets	99,601	<b>97,812</b>	(1,789)
<b>Total Noncurrent Assets</b>	<b>106,112</b>	<b>105,006</b>	(1,105)
<b>Total Assets</b>	<b>243,317</b>	<b>213,857</b>	(29,460)
<b>Equity Ratio</b>	<b>55.1%</b>	<b>53.8%</b>	
ROE	2.8%	—	
BPS(¥)	3,204.87	<b>2,734.09</b>	

Liabilities	2014/12	2015/9	Inc/(Dec)
<b>Current Liabilities</b>			
Notes and Accounts Payable-trade	71,574	<b>66,103</b>	(5,471)
Short-term Loans Payable	46	<b>94</b>	47
Other	12,232	<b>9,449</b>	(2,783)
<b>Total Current Liabilities</b>	<b>83,853</b>	<b>75,646</b>	(8,206)
<b>Noncurrent Liabilities</b>			
Provision	74	<b>973</b>	(631)
Net Defined Benefit Liability	1,605	<b>19,692</b>	(1,886)
Other	22,784	<b>1,263</b>	(17)
<b>Total Noncurrent Liabilities</b>	<b>24,464</b>	<b>21,929</b>	(2,535)
<b>Total Liabilities</b>	<b>108,317</b>	<b>97,576</b>	(10,741)
<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	42,265	<b>21,990</b>	(20,275)
Treasury Stock	(569)	<b>(208)</b>	360
<b>Total Shareholder's Equity</b>	<b>91,260</b>	<b>71,346</b>	(19,914)
<b>Valuation and Translation Adjustments</b>			
Valuation Difference on Available-for-sale Securities	40,118	<b>41,734</b>	1,615
Deferred Gains or Losses on Hedges	5	<b>4</b>	(0)
Foreign Currency Translation Adjustment	2,819	<b>1,911</b>	(908)
Remeasurements of Defined Benefit Plans	(20)	<b>35</b>	55
<b>Total Valuation and Translation Adjustments</b>	<b>42,923</b>	<b>43,685</b>	761
<b>Subscription Rights to Shares</b>	<b>40</b>	<b>20</b>	(19)
<b>Minority Interests</b>	<b>775</b>	<b>1,227</b>	452
<b>Total Net Assets</b>	<b>134,999</b>	<b>116,280</b>	(18,718)
<b>Total Liabilities and Net Assets</b>	<b>243,317</b>	<b>213,857</b>	(29,460)



# Appendix



# Business Trend and Forecast



Consolidated	FY2013						FY2014						FY2015					
	1 - 3Q			Full Year			1 - 3Q			Full Year			1 - 3Q			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	253,646	-2.5%	74.0%	342,786	-2.3%		258,293	+1.8%	73.2%	352,984	+3.0%		257,004	-0.5%	71.8%	358,000	+1.4%	
Gross Profit	33,244	-2.5%		45,104	-2.3%		35,723	+7.5%		48,568	+7.7%		35,297	-1.2%		49,650	+2.2%	
GP Ratio	13.1%			13.2%			13.8%			13.8%			13.7%			13.9%		
(SG&A Exp)	(32,171)	+0.7%		(43,721)	+1.7%		(33,141)	+3.0%		(44,470)	+1.7%		(32,457)	-2.1%		(44,850)	+0.9%	
( Staff Cost )	(22,141)	+1.9%		(29,487)	+2.2%		(22,471)	+1.5%		(29,871)	+1.3%		(22,222)	-1.1%		(30,090)	+0.7%	
Operating Income	1,073	-49.4%	77.6%	1,383	-56.4%		2,581	+140.5%	63.0%	4,097	+196.2%		2,840	+10.0%	59.2%	4,800	+17.2%	
Ordinary Income	2,983	-19.9%	68.9%	4,327	-18.6%		4,689	+57.2%	64.7%	7,251	+67.6%		5,348	+14.1%	68.8%	7,770	+7.1%	
Income before Income taxes and Minority Interests	1,306	-48.6%		5,600	+37.6%		3,780	+189.4%		6,433	+14.9%		5,429	+43.6%		7,600	+18.1%	
Net Income	478	-74.1%	13.9%	3,430	+23.3%		1,920	+301.1%	51.9%	3,696	+7.8%		3,015	+57.0%	63.5%	4,750	+28.5%	
Operating Margin	3.2%			3.1%			7.2%			8.4%			8.0%			9.7%		
Staff Cost/Gross Profit	66.6%			65.4%			62.9%			61.5%			63.0%			60.6%		

Non-Consolidated	FY2013						FY2014						FY2015					
	1 - 3Q			Full Year			1 - 3Q			Full Year			1 - 3Q			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	220,190	-2.8%	74.4%	296,065	-2.4%		225,754	+2.5%	73.6%	306,718	+3.6%		226,005	+0.1%	72.9%	310,000	+1.1%	
Gross Profit	24,031	-2.0%		32,175	-1.9%		26,029	+8.3%		34,662	+7.7%		24,714	-5.1%		35,500	+2.4%	
GP Ratio	10.9%			10.9%			11.5%			11.3%			10.9%			11.5%		
(SG&A Exp)	(22,831)	-2.4%		(31,008)	-1.5%		(23,596)	+3.3%		(31,531)	+1.7%		(22,130)	-6.2%		(32,100)	+1.8%	
( Staff Cost )	(15,312)	-1.7%		(20,371)	-0.9%		(15,600)	+1.9%		(20,561)	+0.9%		(14,614)	-6.3%		(20,730)	+0.8%	
Operating Income	1,199	+5.3%	102.8%	1,166	-13.0%		2,432	+102.8%	77.7%	3,130	+168.3%		2,583	+6.2%	76.0%	3,400	+8.6%	
Ordinary Income	3,170	+22.1%	82.1%	3,864	+17.2%		4,391	+38.5%	73.8%	5,950	+54.0%		5,922	+34.9%	97.1%	6,100	+2.5%	
Income before Income taxes	1,714	+16.8%		4,747	+143.8%		3,663	+113.6%		5,609	+18.2%		6,114	+66.9%		6,030	+7.5%	
Net Income	1,039	-12.5%	32.4%	3,209	+107.9%		2,228	+114.3%	64.0%	3,484	+8.6%		4,314	+93.6%	112.6%	3,830	+9.9%	
Operating Margin	5.0%			3.6%			9.3%			9.0%			10.5%			9.6%		
Staff Cost/Gross Profit	63.7%			63.3%			59.9%			59.3%			59.1%			58.4%		

# Non-Consolidated Gross Billings by Sector



	FY2014 Jan - Sep		FY2015 Jan - Sep		Y-on-Y	
	G Billings	Composition	G Billings	Composition	Inc/Dec	Inc/Dec%
Energy/Material/ machinery	2,363	1.0%	<b>2,610</b>	<b>1.2%</b>	246	+10.4%
Food	18,347	8.1%	<b>19,746</b>	<b>8.7%</b>	1,399	+7.6%
Beverage/Tobacco	17,191	7.6%	<b>19,062</b>	<b>8.4%</b>	1,871	+10.9%
Pharma/Medical supplies	11,650	5.2%	<b>10,809</b>	<b>4.8%</b>	(840)	-7.2%
Cosmetics/Toiletry	24,301	10.8%	<b>22,182</b>	<b>9.8%</b>	(2,118)	-8.7%
Apparel/Jewelry	8,408	3.7%	<b>8,798</b>	<b>3.9%</b>	389	+4.6%
Precision machinery/Office supplies	1,885	0.8%	<b>2,057</b>	<b>0.9%</b>	171	+9.1%
Home appliances/AV equipment	1,881	0.8%	<b>2,068</b>	<b>0.9%</b>	186	+9.9%
Automobile/Automobile-related Products	13,798	6.1%	<b>13,893</b>	<b>6.1%</b>	94	+0.7%
Household Goods	623	0.3%	<b>1,135</b>	<b>0.5%</b>	512	+82.2%
Hobbies/Sport Goods	14,683	6.5%	<b>13,495</b>	<b>6.0%</b>	(1,188)	-8.1%
Real Estate/Housing	5,854	2.6%	<b>6,842</b>	<b>3.0%</b>	988	+16.9%
Publishing	2,471	1.1%	<b>1,962</b>	<b>0.9%</b>	(509)	-20.6%
Information/Communication	20,750	9.2%	<b>25,631</b>	<b>11.3%</b>	4,881	+23.5%
Distribution/Retail	22,203	9.8%	<b>20,710</b>	<b>9.2%</b>	(1,492)	-6.7%
Finance/Insurance	21,405	9.5%	<b>19,468</b>	<b>8.6%</b>	(1,937)	-9.1%
Transportation/Leisure	6,279	2.8%	<b>6,188</b>	<b>2.7%</b>	(90)	-1.4%
Restaurants/Other service	7,783	3.4%	<b>6,630</b>	<b>2.9%</b>	(1,152)	-14.8%
Government/Organizations	10,209	4.5%	<b>9,290</b>	<b>4.1%</b>	(919)	-9.0%
Education/Medical Service/Religion	5,014	2.2%	<b>4,578</b>	<b>2.0%</b>	(435)	-8.7%
Signage/Other	8,646	3.8%	<b>8,842</b>	<b>3.9%</b>	196	+2.3%
<b>Total</b>	<b>225,754</b>	<b>100.0%</b>	<b>226,005</b>	<b>100.0%</b>	<b>251</b>	<b>+0.1%</b>

# Non-Consolidated Gross Billings by Media



	FY2014 Jan - Sep		FY2015 Jan - Sep		Y-on-Y	
	G Billings	Composition	G Billings	Composition	Inc/Dec	Inc/Dec%
Magazine	9,492	4.2%	<b>9,593</b>	<b>4.2%</b>	101	+1.1%
Newspaper	14,029	6.2%	<b>13,732</b>	<b>6.1%</b>	(296)	-2.1%
TV	103,859	46.0%	<b>107,642</b>	<b>47.6%</b>	3,782	+3.6%
Time	40,408	17.9%	<b>41,417</b>	<b>18.3%</b>	1,008	+2.5%
Spot	54,161	24.0%	<b>56,369</b>	<b>24.9%</b>	2,208	+4.1%
Content	9,289	4.1%	<b>9,854</b>	<b>4.4%</b>	565	+6.1%
Radio	2,302	1.0%	<b>2,213</b>	<b>1.0%</b>	(88)	-3.9%
<b>4 Media</b>	<b>129,682</b>	<b>57.4%</b>	<b>133,181</b>	<b>58.9%</b>	<b>3,498</b>	<b>+2.7%</b>
Digital Media	11,037	4.9%	<b>12,072</b>	<b>5.3%</b>	1,034	+9.4%
OOH Media	5,820	2.6%	<b>6,388</b>	<b>2.8%</b>	568	+9.8%
Marketing/Promotion	48,256	21.4%	<b>44,383</b>	<b>19.6%</b>	(3,872)	-8.0%
Creative	26,878	11.9%	<b>26,538</b>	<b>11.7%</b>	(340)	-1.3%
Other	4,078	1.8%	<b>3,441</b>	<b>1.5%</b>	(637)	-15.6%
Except for 4 Media	96,071	42.6%	<b>92,824</b>	<b>41.1%</b>	<b>(3,246)</b>	<b>-3.4%</b>
<b>Total</b>	<b>225,754</b>	<b>100.0%</b>	<b>226,005</b>	<b>100.0%</b>	<b>251</b>	<b>+0.1%</b>

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



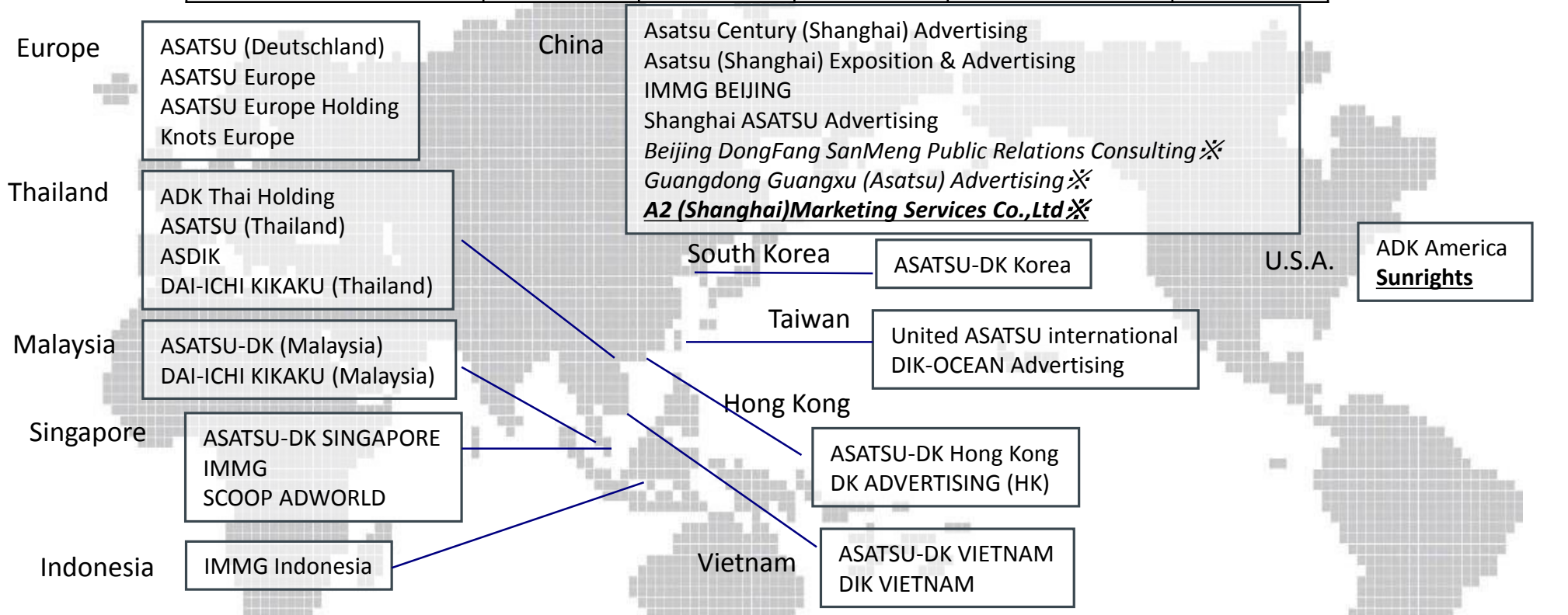
	2015/1	2015/2	2015/3	2015/4	2015/5	2015/6	2015/7	2015/8	2015/9	2015/10	2015/11	2015/12	TOTAL
<b>Gross Billings</b>	<b>19,510</b>	<b>22,471</b>	<b>39,192</b>	<b>22,776</b>	<b>21,739</b>	<b>27,968</b>	<b>23,635</b>	<b>20,771</b>	<b>27,939</b>				<b>226,005</b>
Magazine	544	1,034	1,553	1,118	945	1,120	867	945	1,462				9,593
Newspaper	1,553	1,534	2,184	1,407	1,735	1,408	1,487	1,096	1,323				13,732
TV	10,834	11,299	15,543	11,843	10,876	12,286	11,940	10,980	12,037				107,642
Radio	260	253	253	251	238	237	222	254	240				2,213
Digital Media	902	1,164	2,169	1,206	1,246	1,639	1,139	1,100	1,503				12,072
OOH Media	549	523	984	721	531	859	597	593	1,026				6,388
Marketing/Promotion	2,642	3,939	9,572	3,568	3,992	5,704	4,477	3,687	6,798				44,383
Creative	1,991	2,269	5,760	2,466	1,879	4,306	2,736	1,891	3,236				26,538
Others	230	451	1,170	192	292	405	165	221	309				3,441

	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

# Consolidated companies (as of 2015/9/30)

	Japan	China	Asia	Europe and USA	Total
Consolidated subsidiary	12	8	13	6	39
Equity method affiliates	4	3	0	0	7
Total	16	11	13	6	46



**Agency :** ADK Arts, ADK International, Kyowa Kikaku, Boys, Eiken, ADK Dialogue, ADK Digital Communications, Right Song Music Publishing, China Stories, d-rights, *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