

Digital Advertising Consortium Inc.

(URL <http://www.dac.co.jp/>)

Financial Highlights of 3rd Quarter, Fiscal Year 2009(December 1, 2008 thru August 31, 2009)

(1) Consolidated operating results

	Net Sales		Operating income		Ordinary income		Net income	
	Mil. ¥	%	Mil. ¥	%	Mil. ¥	%	Mil. ¥	%
3rd Quarter of FY 2009	35,676	(7.5)	381	(-60.7)	316	(-66.5)	-17	(-)
3rd Quarter of FY 2008	33,199	(18.5)	970	(28.1)	943	(20.1)	389	(182.5)

	Net income per share	Diluted net income per share
	Yen	Yen
3rd Quarter of FY 2009	-34.13	-
3rd Quarter of FY 2008	808.93	804.24

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Equity per share
	Mil. ¥	Mil. ¥	%	Yen
3rd Quarter of FY 2009	14,545	9,584	60.3	16,691.82
3rd Quarter of FY 2008	14,307	8,462	53.6	15,936.17

(3) Dividend per share

Record date	End of 1 st quarter	End of 2 nd quarter	End of 3 rd quarter	End of period	Annual dividend
	Yen	Yen	Yen	Yen	Yen
Fiscal Year 2008	—	0.00	—	320.00	320.00
Fiscal Year 2009	—	0.00	—	—	—
Fiscal Year 2009 (expected)	—	—	—	—	—

DAC Consolidated Financial Statements

(1) DAC Consolidated Balance Sheet

(Unit : Thousand Yen)

Items of an account	Q3 FY2009 (As of Aug 31, 2009)		FY2008 (As of Nov 30, 2008)	
	Amount		Amount	
(Assets)				
I Current Assets				
1. Cash and deposits		5,451,781		5,344,279
2. Notes and accounts receivable-trade		4,354,293		4,981,095
3. Short-term investment securities		100,841		96,571
4. O t h e r		766,237		383,907
Allowance for doubtful accounts		-6,173		-4,925
Total currents assets		10,666,981		10,800,928
II Non-current Assets				
1. Property, plant and equipment		397,830		381,174
2. Intangible assets				
(1) Goodwill	696,681		364,889	
(2) Software	538,576		370,620	
(3) Software in progress	65,001		185,808	
(4) O t h e r	10,277	1,310,536	9,566	930,885
3. Investments and other assets				
(1) Investment securities	1,391,683		1,502,210	
(2) O t h e r	909,220		820,898	
Allowance for doubtful accounts	-130,560	2,170,343	-128,167	2,194,941
Total non-current assets		3,878,710		3,507,001
Total assets		14,545,691		14,307,930

(Unit : Thousand Yen)

Items of an account	Q3 FY2009 (As of Aug 31, 2009)		FY2008 (As of Nov 30, 2008)	
	Amount		Amount	
(Liabilities)				
I Current liabilities				
1. Accounts payable-trade		3,622,561		4,351,213
2. Short-term loans payable		12,560		50,000
3. Current portion of Long-term loans payable		95,553		173,328
4. Accounts payable-other		390,835		431,480
5. Income taxes payable		92,432		262,858
6. Provision for director's bonuses		21,152		35,000
7. Provision for bonuses		120,803		—
8. O t h e r		296,599		209,972
Total current liabilities		4,652,497		5,513,852
II Non-current liabilities				
1. Long-term loans payable		70,013		122,234
2. Provision for retirement benefits		117,187		92,268
3. Provision for director's retirement benefits		—		94,397
4. Provision for point certificate		16,496		21,057
5. O t h e r		105,379		1,316
Total non-current liabilities		309,076		331,273
Total liabilities		4,961,574		5,845,125
(Net Assets)				
I Shareholders' equity				
1. Capital stock		4,031,837		3,387,977
2. Capital surplus		3,369,621		2,741,944
3. Retained earnings		1,879,874		2,051,448
4. Treasury stock		-448,094		-447,001
Total shareholders' equity		8,833,239		7,734,368
II Valuation and translation adjustments				
1. Valuation difference on available-for-sale securities		-49,691		-61,131
2. Foreign currency translation adjustment		-6,338		-34
Total valuation and translation adjustments		-56,030		-61,165
III Subscription right to shares		127,886		79,501
IV Minority interests		679,021		710,100
Total net Assets		9,584,117		8,462,804
Total liabilities and net assets		14,545,691		14,307,930

(2) DAC Consolidated Statements of Income

(Unit : Thousand Yen)

Items of an account	Q3 FY2009 (Dec. 2008 thru Aug 2009)		Q3 FY2008 (Dec. 2007 thru Aug 2008)	
	Amount		Amount	
I Net Sales		35,676,080		33,199,662
II Cost of sales		30,347,823		28,245,905
Gross profit		5,328,256		4,953,756
III Selling, general and administrative expenses		4,946,824		3,983,714
Operating income		381,431		970,041
IV Non-operating income				
1. Interest income	8,315		11,998	
2. Dividends income	4,731		1,970	
3. Foreign exchange gains	8,080		687	
4. O t h e r	4,679	25,807	2,233	16,890
V Non-operating expenses				
1. Interest expense	4,569		6,783	
2. Commission fee	25,000		—	
3. Loss on valuation of securities	—		10,072	
4. Loss on valuation of affiliates	36,899		22,652	
5. O t h e r	24,666	91,135	4,104	43,613
Ordinary income		316,103		943,318
VI Extraordinary income				
1. Gain on sales of investment securities	49		11,532	
2. Gain on sales of noncurrent assets	13		—	
3. Gain on change in equity	76,409		—	
4. O t h e r	2,653	79,125	260	11,793
VII Extraordinary losses				
1. Loss on sales of noncurrent assets	13,643		—	
2. Loss on retirement of noncurrent assets	46,717		33,739	
3. Loss on valuation of investment securities	256,366		69,760	
4. Loss on sales of investment securities	252		852	
5. Impairment loss	56,550		—	
6. Special retirement expenses	26,608		—	
7. O t h e r	11,320	411,460	3,537	107,890
Income before income taxes and minority interests		-16,230		847,221
Income taxes-current	154,199		519,021	
Income taxes-deferred	36,089	190,289	-27,859	491,162
Minority interests in income		-189,025		-33,103
Net income		-17,494		389,162

(3) DAC Consolidated Cash Flow Statements

(Unit : Thousand Yen)

Items of an account	Q3 FY2009	Q3 FY2008
	(Dec. 2008 thru Aug. 2009)	(Dec. 2007 thru Aug. 2008)
	Amount	Amount
I Cash flows from Operating Activities:		
Net cash provided by Operating Activities:	623,265	1,233,913
II Cash flows from Investment Activities:		
Net cash used in Investment Activities	-1,415,598	-562,664
III Cash flows from Financing Activities:		
Net cash provided by Financing Activities	906,861	179,921
IV Effect of exchange rate change on cash and cash equivalents	-7,022	-977
V Net increase in cash and cash equivalents	107,506	850,193
VI Cash and cash equivalents at beginning of period	5,337,297	4,653,876
VII Cash and cash equivalents at end of period	5,444,804	5,504,069