

Digital Advertising Consortium Inc.

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

Financial Highlights of Fiscal Year 2011 (December 1, 2009 to March 31, 2011) and Fiscal Year 2009 (December 1, 2008 to November 30, 2009)

(1) Consolidated operating results

	Net sales		Operating income		Ordinary income		Net income	
	Mil.¥	%	Mil.¥	%	Mil.¥	%	Mil.¥	%
Fiscal Year 2011	77,943	(-)	2,908	(-)	3,018	(-)	1,745	(-)
Fiscal Year 2009	47,915	(4.6)	943	(-32.9)	881	(-34.5)	296	(-64.9)

	Earnings per share	Diluted earnings per share	Return on equity	Return On asset	Operating margin
	Yen	Yen	%	%	%
Fiscal Year 2011	3,318.52	3,300.80	17.4	15.2	3.7
Fiscal Year 2009	573.92	571.65	3.5	5.9	2.0

*DAC has decided to change its fiscal year end from November 30 to March 31 of each year.

No comparison is made because of the change in accounting periods.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Book value per share
	Mil.¥	Mil.¥	%	Yen
Fiscal Year 2011 (As of Mar 31, 2011)	24,107	12,792	45.3	20,792.68
Fiscal Year 2009 (As of Nov 30, 2009)	15,499	9,924	58.6	17,284.08

(3) Consolidated cash flows

	Net cash provided by(used in) operating activities	Net cash provided by(used in) investing activities	Net cash provided by(used in) financing activities	Cash and cash Equivalents at end of period
	Mil.¥	Mil.¥	Mil.¥	Mil.¥
Fiscal Year 2011	2,321	164	-312	7,841
Fiscal Year 2009	871	-1,393	870	5,671

(4) Dividend per share

Record date	End of 1 st quarter	End of 2 nd quarter	End of 3 rd quarter	End of 4 th quarter	End of period	Annual dividend	Dividend Payout ratio
	Yen	Yen	Yen	Yen	Yen	Yen	%
Fiscal Year 2009		0.00			200.00	200.00	34.8
Fiscal Year 2011		0.00			700.00	700.00	21.1
Fiscal Year 2012 (expected)	TBD	TBD	TBD	TBD	TBD	TBD	TBD

DAC Consolidated Financial Statements

(1)DAC Consolidated balance sheets

(Unit:Thousand Yen)

Items of an account	FY2009 (As of Nov 30, 2009)	FY2011 (As of Mar 31,2011)
	Amount	Amount
Assets		
Current assets		
Cash and deposits	5,678,796	7,849,895
Notes and accounts receivable-trade	5,047,038	10,568,054
Short-term investment securities	100,963	5,013
Other	881,451	1,273,816
Allowance for doubtful accounts	-3,732	-18,900
Total current assets	11,704,516	19,677,880
Noncurrent assets		
Property, plant and equipment		
Buildings	293,511	333,803
Accumulated depreciation	-142,316	-181,052
Buildings, net	151,195	152,750
Tools, furniture and fixtures	632,243	654,687
Accumulated depreciation	-414,717	-491,007
Tools, furniture and fixtures, net	217,525	163,679
Lease assets	3,848	12,499
Accumulated depreciation	-855	-4,016
Lease assets, net	2,993	8,482
Total property, plant and equipment	371,714	324,913
Intangible assets		
Goodwill	673,826	1,043,118
Patent right	2,520	
Software	549,442	539,487
Software in progress	50,086	42,925
Other	8,323	12,999
Total intangible assets	1,284,200	1,638,531
Investments and other assets		
Investment securities	1,369,207	1,634,851
Deferred tax assets	172,823	
Other	725,680	839,005
Allowance for doubtful accounts	-128,309	-8,173
Total investments and other assets	2,139,402	2,465,683
Total noncurrent assets	3,795,316	4,429,127
Total assets	15,499,833	24,107,007

(Unit: Thousand Yen)

Items of an account	FY2009 (As of Nov 30, 2009)	FY2011 (As of Mar 31, 2011)
	Amount	Amount
Liabilities		
Current liabilities		
Accounts payable-trade	4,168,747	8,416,399
Short-term loans payable	-	20,000
Current portion of long-term loans payable	62,220	129,254
Accounts payable-other	446,330	944,999
Income taxes payable	256,257	531,737
Provision for bonuses	113,147	231,573
Provision for directors' bonuses	19,587	63,000
Provision for point card certificates	13,709	23,352
Other	192,794	543,534
Total current liabilities	5,272,794	10,903,851
Noncurrent liabilities		
Long-term loans payable	60,014	42,532
Provision for retirement benefits	121,752	173,897
Provision for point card certificates	16,213	41,146
Other	105,042	153,057
Total noncurrent liabilities	303,021	410,632
Total liabilities	5,575,816	11,314,484
Net assets		
Shareholders' equity		
Capital stock	4,031,837	4,031,837
Capital surplus	3,369,621	3,184,465
Retained earnings	2,193,472	3,833,905
Treasury stock	-448,094	-326,980
Total shareholders' equity	9,146,836	10,723,228
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-47,948	217,784
Foreign currency translation adjustment	-10,244	-12,527
Total accumulated other comprehensive income	-58,192	205,256
Subscription rights to shares	127,886	154,752
Minority interests	707,486	1,709,285
Total net assets	9,924,016	12,792,523
Total liabilities and net assets	15,499,833	24,107,007

(2)DAC Consolidated Statements of Income

(Unit:Thousand Yen)

Items of an account	FY2009 (December 1,2008 to November 30,2009)	FY2011 (December 1,2009 to March 31,2011)
	Amount	Amount
Net sales	47,915,379	77,943,070
Cost of sales	40,436,373	65,638,250
Gross profit	7,479,005	12,304,820
Selling, general and administrative expenses	6,535,481	9,396,463
Operating income	943,524	2,908,356
Non-operating income		
Interest income	7,815	5,948
Dividends income	4,731	5,515
Equity in earnings of affiliates	-	103,539
Foreign exchange gains	8,812	1,802
ReversalOfProvisionForPointCardCertificates	3,775	-
Other	9,171	11,100
Total non-operating income	34,306	127,907
Non-operating expenses		
Interest expenses	6,473	5,909
Commission fee	25,000	-
Equity in losses of affiliates	39,319	-
Rent expenses on real estates	13,022	-
Provision of allowance for doubtful accounts	-	3,000
Loss on investments in partnership	-	5,038
Amortization of deferred organization expenses	-	2,155
Other	12,184	1,987
Total non-operating expenses	96,001	18,089
Ordinary income	881,829	3,018,175
Extraordinary income		
Gain on sales of investment securities	49	125,252
Gain on change in equity	93,827	-
Gain on sales of noncurrent assets	13	-
Gain on step acquisitions	-	158,201
Other	4,628	33,856
Total extraordinary income	98,519	317,309
Extraordinary loss		
Loss on retirement of noncurrent assets	48,452	8,043
Loss on sales of noncurrent assets	13,643	759
Impairment loss	56,550	-
Loss on valuation of investment securities	275,428	113,244
Loss on sales of investment securities	252	-
Special retirement expenses	26,608	-
Loss on sales of stocks of subsidiaries and affiliates	-	1,314
Loss on valuation of membership	-	2,127
Other	11,523	23,155
Total extraordinary losses	432,459	148,645
Income before income taxes and minority interests	547,890	3,186,839
Income taxes-current	426,510	1,261,379
Income taxes-deferred	-7,949	-107,908
Total income taxes	418,561	1,153,470
Income before minority interests	-	2,033,369
Minority interests in income(loss)	-166,774	287,767
Net income	296,102	1,745,601

(3)DAC Consolidated statements of comprehensive income

(Unit:Thousand Yen)

Items of an account	FY2009 (December 1,2008 to November 30,2009)	FY2011 (December 1,2009 to March 31,2011)
	Amount	Amount
Income before minority interests	-	2,033,369
Other comprehensive income		
Valuation difference on available-for-sale securities	-	264,050
Foreign currency translation adjustment	-	-4,552
Share of other comprehensive income of associates accounted for using equity method	-	1,690
Total other comprehensive income	-	261,188
Comprehensive income	-	2,294,557
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	-	2,009,050
Comprehensive income attributable to minority interests	-	285,507

(4)DAC Consolidated statements of cash flows

(Unit:Thousand Yen)

Items of an account	FY2009 (December 1,2008 to November 30,2009)	FY2011 (December 1,2009 to March 31,2011)
	ammount	ammount
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	547,890	3,186,839
Depreciation and amortization	278,910	422,168
Amortization of goodwill	94,119	159,449
Increase (decrease) in allowance for doubtful accounts	-1,050	-114,495
Increase (decrease) in provision for directors' bonuses	-15,412	43,412
Increase (decrease) in provision for point card certificates	7,633	34,575
Increase (decrease) in provision for retirement benefits	29,484	52,145
Increase (decrease) in provision for directors' retirement benefits	-94,397	-
Interest and dividends income	-12,547	-11,464
Interest expenses	6,473	5,909
Equity in (earnings) losses of affiliates	39,319	-103,539
Loss (gain) on sales and retirement of noncurrent assets	62,082	8,803
Gain on sales of investment securities	-49	-125,252
Loss on sales of investment securities	252	66
Loss (gain) on valuation of investment securities	275,428	113,244
Loss (gain) on sales of stocks of subsidiaries and affiliates	-	1,314
Loss (gain) on step acquisitions	-	-158,201
Loss (gain) on change in equity	-93,827	-19,227
Decrease (increase) in notes and accounts receivable-trade	610,918	-3,859,296
Decrease (increase) in inventories	46,535	36,602
Increase (decrease) in notes and accounts payable-trade	-370,627	3,058,187
Increase (decrease) in accounts payable-other	-13,462	440,487
Increase (decrease) in accrued consumption taxes	-28,381	134,219
Other, net	24,202	-30,033
Subtotal	1,393,495	3,275,913
Interest and dividends income received	12,968	22,879
Interest expenses paid	-6,473	-5,909
Income taxes paid	-528,329	-971,214
Net cash provided by (used in) operating activities	871,661	2,321,668
Net cash provided by (used in) investing activities		
Proceeds from sales of short-term investment securities	-	104,446
Purchase of investment securities	-2,700	-165,162
Proceeds from sales and redemption of investment securities	200,000	302,819
Purchase of property, plant and equipment	-113,598	-63,244
Purchase of intangible assets	-252,762	-283,013
Purchase of stocks of subsidiaries and affiliates	-372,643	-50,000
Proceeds from sales of stocks of subsidiaries and affiliates	-	63,250
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	8,704	366,588
Purchase of investments in subsidiaries resulting in change in scope of consolidation	-878,262	-
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	-	-248,657
Payments for guarantee deposits	-82,307	-30,191
Proceeds from collection of guarantee deposits	102,355	-
Collection of loans receivable	-	50,000
Proceeds from maturity of insurance funds	12,729	-
Other, net	-14,557	117,441
Net cash provided by (used in) investing activities	-1,393,042	164,276
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	-50,000	-30,000
Proceeds from long-term loans payable	-	50,000
Repayment of long-term loans payable	-173,328	-116,611
Proceeds from issuance of common stock	1,283,130	-
Purchase of treasury stock	-33,498	-132,208
Proceeds from sales of treasury stock	16,222	-
Proceeds from issuance of common stock to minority shareholders	26,280	-
Proceeds from exercise of stock option	-	70,460
Cash dividends paid	-158,327	-101,229
Cash dividends paid to minority shareholders	-38,800	-50,400
Other, net	-897	-2,536
Net cash provided by (used in) financing activities	870,781	-312,526
Effect of exchange rate change on cash and cash equivalents	-14,878	-3,329
Net increase (decrease) in cash and cash equivalents	334,521	2,170,089
Cash and cash equivalents at beginning of period	5,337,297	5,671,819
Cash and cash equivalents at end of period	5,671,819	7,841,908