

Digital Advertising Consortium Inc.

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

Financial Highlights of 2nd Quarter, Fiscal Year 2009(December 1, 2008 thru May 31, 2009)

(1) Consolidated operating results

	Net sales		Operating income		Ordinary income		Net income	
	Mil. ¥	%	Mil. ¥	%	Mil. ¥	%	Mil. ¥	%
2nd Quarter of FY 2009	24,307	(9.2)	349	(-55.4)	271	(-64.9)	19	(-93.7)
2nd Quarter of FY 2008	22,261	(20.6)	784	(28.2)	774	(18.7)	315	(—)

	Net income per share	Diluted net income per share
	Yen	Yen
2nd Quarter of FY 2009	39.04	38.90
2nd Quarter of FY 2008	657.14	653.18

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Equity per share
	Mil. ¥	Mil. ¥	%	Yen
2nd Quarter of FY 2009	15,772	9,780	55.8	16,751.13
2nd 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	Q2 FY2009 (As of May 31, 2009)		FY2008 (As of Nov 30, 2008)	
	Amount		Amount	
(Assets)				
I Current Assets				
1. Cash and deposits		5,768,113		5,344,279
2. Notes and accounts receivable-trade		5,055,154		4,981,095
3. short-term investment securities		99,444		96,571
4. O t h e r		1,033,281		383,907
Allowance for doubtful accounts		-5,604		-4,925
Total currents assets		11,950,389		10,800,928
II Non-current Assets				
1. Property, plant and equipment		394,675		381,174
2. Intangible assets				
(1) G o o d w i l l	744,220		364,889	
(2) S o f t w a r e	568,849		370,620	
(3) S o f t w a r e i n p r o g r e s s	39,259		185,808	
(4) O t h e r	9,576	1,361,905	9,566	930,885
3. Investments and other assets				
(1) I n v e s t m e n t s e c u r i t i e s	1,254,340		1,502,210	
(2) O t h e r	941,803		820,898	
Allowance for doubtful accounts	-130,568	2,065,575	-128,167	2,194,941
Total non-current assets		3,822,157		3,507,001
Total assets		15,772,546		14,307,930

(Unit : Thousand Yen)

Items of an account	Q2 FY2009 (As of May 31, 2009)		FY2008 (As of Nov 30, 2008)	
	Amount		Amount	
(Liabilities)				
I Current liabilities				
1. Accounts payable-trade		3,873,151		4,351,213
2. Short-term loans payable		25,040		50,000
3. Current portion of Long-term Loans payable		128,885		173,328
4. Accounts payable-other		884,493		431,480
5. Income taxes payable		365,224		262,858
6. Provision for director's bonuses		24,283		35,000
7. Current portion of bonds		7,103		-
8. O t h e r		368,439		209,972
Total current liabilities		5,676,621		5,513,852
II Non-current liabilities				
1. Long-term loans payable		80,012		122,234
2. Provision for retirement benefits		109,719		92,268
3. Provision for director's retirement benefits		-		94,397
4. Provision for point certificate		20,142		21,057
5. O t h e r		105,716		1,316
Total non-current liabilities		315,589		331,273
Total liabilities		5,992,211		5,845,125
(Net assets)				
I Shareholder's equity				
1. Capital stock		4,031,837		3,387,977
2. Capital surplus		3,369,621		2,741,944
3. Retained earnings		1,917,123		2,051,448
4. Treasury stock		-448,094		-447,001
Total shareholder's equity		8,870,488		7,734,368
II Valuation and translation adjustments				
1. Valuation difference on available-for-sale securities		-57,685		-61,131
2. Foreign currency translation adjustment		-4,408		-34
Total valuation and translation adjustment		-62,093		-61,165
III Subscription rights to shares		125,430		79,501
IV Minority interests		846,509		710,100
Total net assets		9,780,335		8,462,804
Total liabilities and net assets		15,772,546		14,307,930

(2) DAC Consolidated Statements of Income

(Unit : Thousand Yen)

Items of an account	Q2 FY2009 (Dec. 2008 thru May 2009)		Q2 FY2009 (Dec. 2008 thru May 2008)	
	Amount		Amount	
I Net sales		24,307,938		22,261,361
II Cost of sales		20,724,339		18,904,667
Gross profit		3,583,599		3,356,693
III Selling, general and administrative expenses		3,233,805		2,572,087
Operating income		349,793		784,606
IV Non-operating income				
1. Interest income	7,076		7,154	
2. Dividends income	41		845	
3. Foreign exchange gains	8,347		8,897	
4. O t h e r	5,129	20,593	1,732	18,630
V Non-operating expenses				
1. Interest expense	4,216		5,017	
2. Commission fee	25,000		-	
3. Equity in losses of affiliates	44,798		9,764	
4. Loss on valuation of securities	-		10,072	
5. O t h e r	24,923	98,938	4,104	28,959
Ordinary income		271,448		774,277
VI Extraordinary income				
1. Gain on sales of investment securities	49		11,532	
2. Gain on sales of noncurrent asset	13		-	
3. O t h e r	-	63	557	12,090
VII Extraordinary losses				
1. Loss on valuation of investment securities	4,692		69,760	
2. Loss on sales of investment securities	-		852	
3. Loss on retirement of noncurrent assets	46,717		33,509	
4. Impairment loss	41,217		-	
5. Special termination benefits	26,608		-	
6. Loss on sales of noncurrent asset	13,875		-	
7. O t h e r	11,253	144,365	3,537	107,659
Income before income taxes and minority interests		127,146		678,708
Income taxes-current	255,317		395,670	
Income taxes-deferred	12,656	267,973	-35,057	360,612
Minority interests		-160,581		2,843
Net income		19,754		315,252

(3) DAC Consolidated Cash Flow Statements

(Unit : Thousand Yen)

Items of an account	Q2 FY2009	Q2 FY2008
	(Dec 2008 thru May 2009)	(Dec 2007 thru May 2008)
	Amount	Amount
I Cash flows from Operating Activities: Net cash provided by Operating Activities	469,806	1,275,985
II Cash flows from Investment Activities: Net cash used in Investment Activities	-1,040,436	-487,273
III Cash flows from Financing Activities Net cash provided by(used in) Financing Activities	1,001,489	201,031
IV Effect of exchange rate change on cash and cash equivalents	-7,022	-11,296
V Net increase in cash and cash equivalents	423,837	978,446
VI Cash and cash equivalents at beginning of period	5,337,297	4,653,876
VII Cash and cash equivalents at end of period	5,761,134	5,632,322