

**Materials on Earnings Briefing for
First Half of Fiscal Year Ending
December 2007**

Summary of Business Results

TECMO

August 23, 2007



Business Results for First Half of Fiscal Year Ending December 2007

Outline of First Half of Fiscal Year Ending December 2007

Consolidated interim business results

(Unit: Millions of yen)

	Sales			Operating profit			Ordinary profit			Net income		
		Increase/ decrease	Rate of increase/ decrease		Increase/ decrease	Rate of increase/ decrease		Increase/ decrease	Rate of increase/ decrease		Increase/ decrease	Rate of increase/ decrease
First half of the fiscal year ending December 2007 (Ratio of the interim results to projections for the full fiscal year)	6,461 (46.2%)	1,783	138.1%	1,316	639	194.5%	1,285 (67.5%)	814	191.5%	787 (65.6%)	326	170.8%
First half of the fiscal year ended December 2006	4,677	688	117.2%	676	179	136.2%	671	44	107.2%	461	127	138.4%
First half of the fiscal year ended December 2005	3,989	-	-	496	-	-	626	-	-	333	-	-

○ Profits are larger than the figures in the upward revision of interim projections, announced on July 5, 2007.

- Ordinary profit: up by 105 million yen; and net income; up by 77 million yen
- The better-than-expected performance is attributed to general, selling and administrative expenses, which were generally smaller than forecast thanks to the improvement of efficiency.

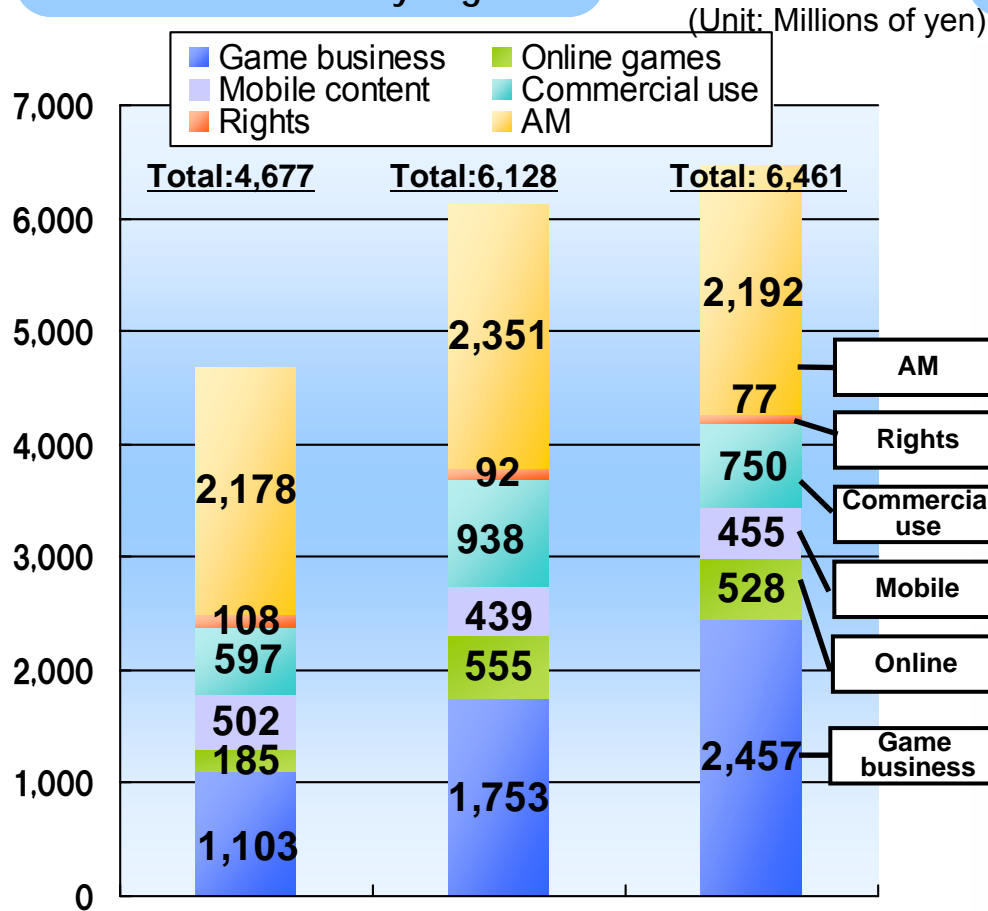
Topics of First Half of Fiscal Year Ending December 2007

- **Upward revision of earnings of the interim period**
 - Worldwide shipments of 450,000 packages of NINJA GAIDEN Σ, a game-software for PLAYSTATION® 3 (Shipment volume as of August 22: 500,000 packages)
- **Early realization of enhancement of return of profits to shareholders**
 - Implementation of hike in stable dividend level (15 yen per share → 20 yen; with a commemorative dividend of 5 yen added, the year-end dividend will stand at 25 yen)
- **Delay in the start of proprietary online game services**
 - Gallop Racer ONLINE (spring 2007 → september, 2007)
 - Monster Farm Online (summer 2007 → autumn 2007)

Consolidated Sales and Operating Profit by Segment

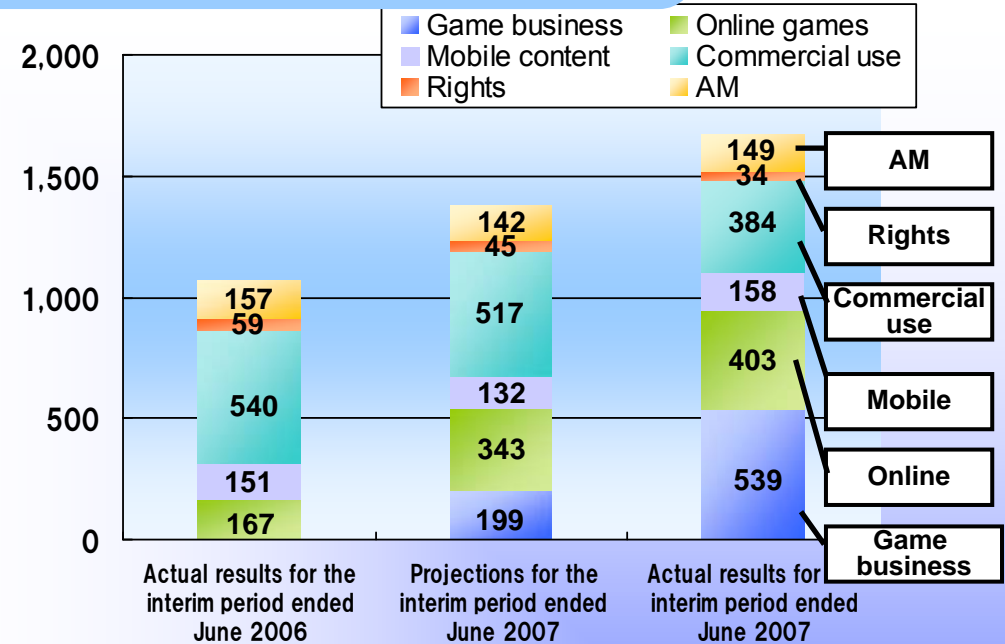
Interim period

Consolidated sales by segment



Actual results for the interim period ended June 2006 Projections for the interim period ended June 2007 Actual results for the interim period ended June 2007

Consolidated operating profit by segment (Unit: Millions of yen)



Consolidated operating profit by segment	Actual results for the interim period ended June 2006	Projections for the interim period ended June 2007	Actual results for the interim period ended June 2007
Game business	-13	199	589
Online games	167	343	403
Mobile content	151	132	158
Commercial-use equipment and software	540	517	384
Rights	59	45	34
Operation of amusement facilities	157	142	149
Elimination or company-wide	▲385	▲429	▲353
Total	676	950	1,316

Titles Launched in First Half of Fiscal Year Ending December 2007

Home-use game software

Six titles launched: 720,000 packages shipped

DEAD OR ALIVE 4 Platinum Hits (U.S.):

60,000 packages

NINJA GAIDEN Σ (Japan, the U.S. and Europe):

450,000 packages, and others



Lievo business and online games

Number of globally registered members of Lievo: 5.5 million

WarRock: Service started on March 8.

The Lord of the Rings Online: Sale started on May 11.



Mobile content

Number of members paying monthly fees: 240,000 (as of June 2006)

Number of downloading: 2.4 million (January – June 2007)

* Number of medals downloaded: 2.32 million

Existing titles made to confirm to new game consoles

OTAKARA Dungeon RPG (i-mode) and others



Liquid crystal software for pachinko and pachislot machines

Four titled launched

Rio Paradise (NET), etc.

Outline of Fiscal Year Ending December 2007

■ Consolidated projections for the full fiscal year

(Unit: Millions of yen)

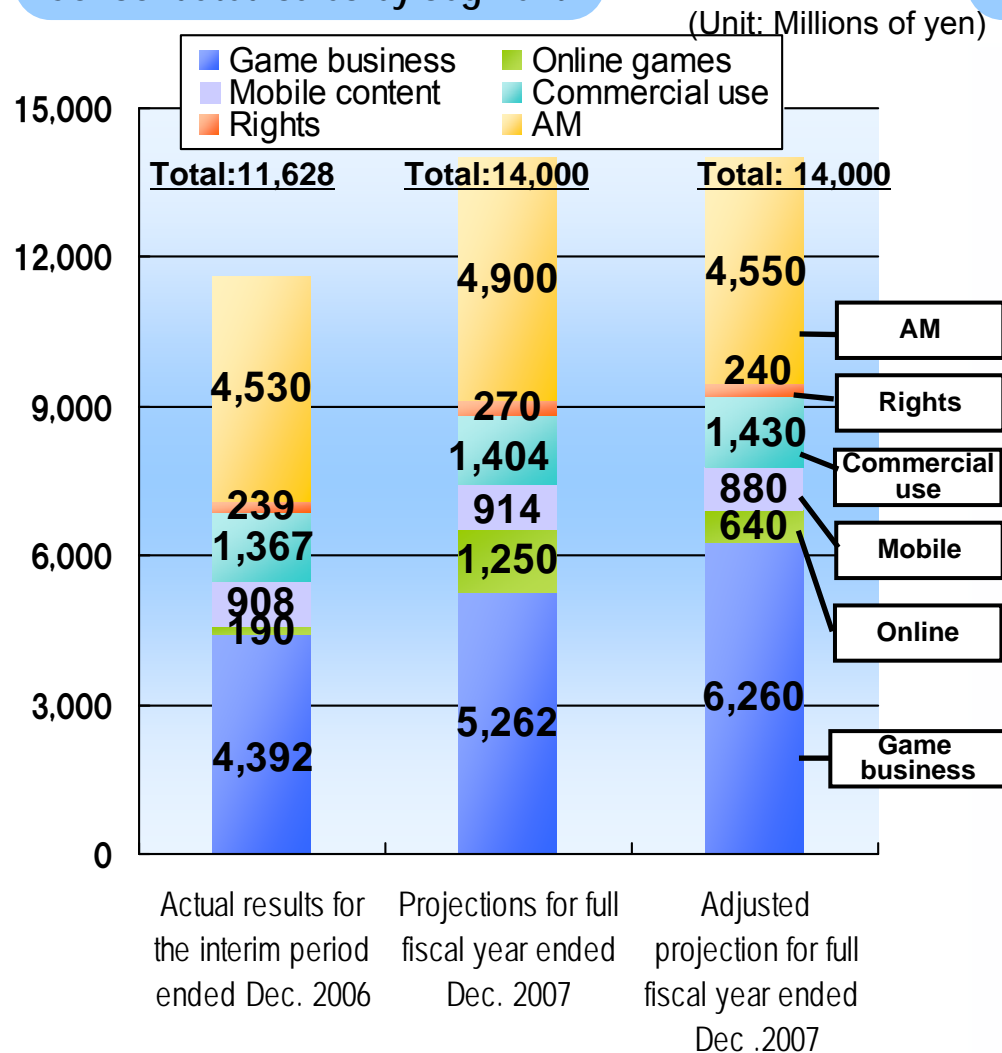
		Sales			Operating profit			Ordinary profit			Net income		
			Increase/ decrease	Rate of increase/ decrease		Increase/ decrease	Rate of increase/ decrease		Increase/ decrease	Rate of increase/ decrease		Increase/ decrease	Rate of increase/ decrease
Fiscal year ending December 2007	After revision	14,000			2100			2,200			1100		
	(Difference between initial projections and revised figures)	0	0%		200	110.5%		300	115.8%		200	122%	
	Initial projections	14,000	2,371	120.4%	1,900	676	155.3%	1,900	536	139.3%	900	86	110.6%
(Reference) Fiscal year ended December 2006		11,628	-	-	1,223	-	-	1,363	-	-	813	-	-

○ We revised earnings projections upward for the full fiscal year: operating profit by 200 million yen, ordinary profit by 300 million yen; and net income by 200 million yen.

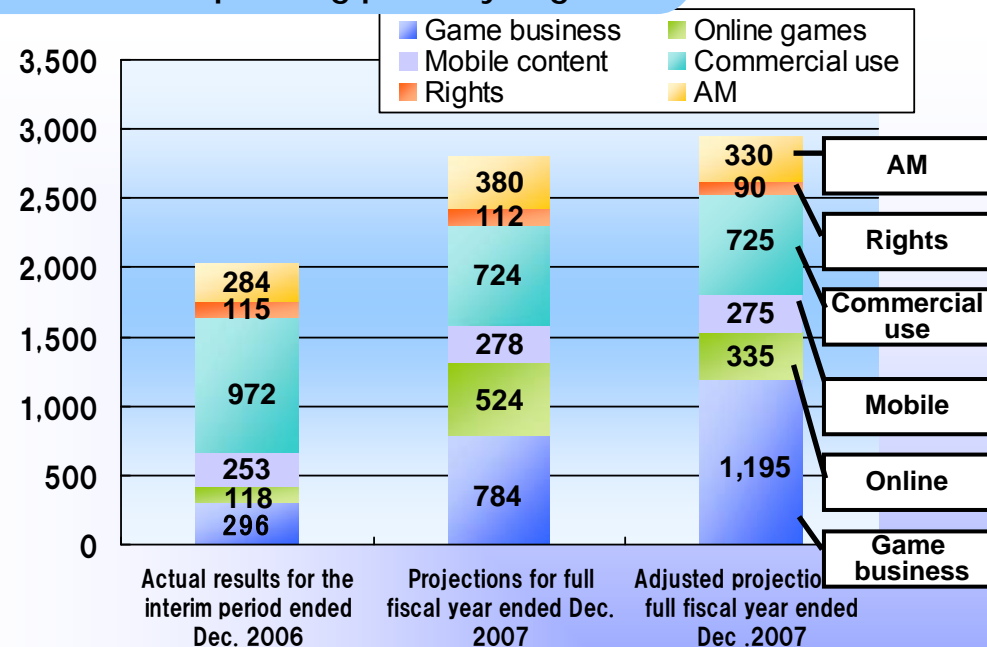
- In the game business, launch of Team NINJA title (not released yet), which had been included in the initial plan, was changed to 2008 or thereafter.
- A decrease in sales due to a delay in the start of service in the online game business is factored in.
- Projected sales and profits of the amusement facility operation business were slightly revised downward.
- The commercial-use equipment and software business and the mobile content business are performing as planned.

Consolidated Sales and Operating Profit by Segment (Full fiscal year)

Consolidated sales by segment



Consolidated operating profit by segment (Unit: Millions of yen)



Consolidated operating profit by segment	Actual results for the interim period ended Dec 2006	Projections for full fiscal year ended Dec. 2007	Adjusted projection for full fiscal year ended Dec. 2007
Game business	296	784	1,195
Online games	118	524	335
Mobile content	253	278	275
Commercial-use equipment and software	972	724	725
Rights	115	112	90
Operation of amusement facilities	284	380	330
Elimination or company-wide	▲817	▲902	▲850
Total	1,223	1,900	2,100

Prospects for Fiscal year ending December 2007

[Bid for creation of customers and expansion of business domains]
[Sales to hit a record high in the recent 10 years, with the second largest operating profit]

-To launch 14 home-use game titles

New Team NINJA titles: "NINJA GAIDEN Σ" (PS3) released on June 14, 2007

"NINJA GAIDEN Dragon Sword" (DS) to be launched

"DS Kyotaro Nishimura Suspense new detective series Kyoto, Atami and solitary island in the distant sea Trick of murderous intent" to be launched (to hit the market on October 11, 2007)

"Swing Golf Pangya 2nd Shot!" (Wii) and "Project Rygar (tentative)" (Wii) to be launched

-To start domestic services for 4 online game titles

"WarRock": Service started on March 8, 2007

"The Lord of the Rings Online": Sale started on May 11, 2007

"Gallop Racer ONLINE": Service started on September

"Monster Farm ONLINE": Service planned to start in Autumn,2007

- To introduce 11 mobile content titles

"OTAKARA Dungeon RPG" (i-mode), "DOA Paradise ♪" (i-mode) and "TECMO BOWL 2" (North America)

New game titles to be launched in October and new game sites to start in December

- To launch six tiles for pachislot machines and two tiles for pachinko machines

Titles Launched and To Be Launched in Fiscal year ending December 2007 [1]

<Console game titles>



April 5
Rakusho! Pachi-slot
Declaration 5
Rio Paradise (PS2)



June 14
NINJA GAIDEN Σ (PS3)



Planned to be launched
in 2007
Project Rygar (tentative)
(Wii)



Planned to be launched
in 2007
'Swing Golf Pangya 2nd
Shot!' (Wii)

January	February	March	April	May	June	July	August	September	October	November	December
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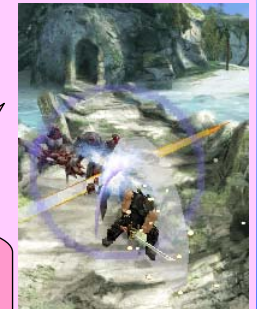
July 12
Monster Farm DS



October 11
DS Kyotaro Nishimura
Suspense



Planned to be launched
in 2007
NINJA GAIDEN Dragon
Sword (DS)



<Hand-held game titles>

Number of Home-Use Game Titles by Hardware

		Fiscal year ended December 2004 (period of nine months)				Fiscal year ended December 2005				Fiscal year ended December 2006				Fiscal year ending December 2007 (Projections)			
Manufacturer	Hardware	Japan	North America	Europe and others	Total	Japan	North America	Europe and others	Total	Japan	North America	Europe and others	Total	Japan	North America	Europe and others	Total
Nintendo	Wii	-	-	-	-	-	-	-	-	1	1	-	2	2	2	1	5
	DS	-	-	-	-	1	-	-	1	-	-	-	-	3	1	1	5
Total of Nintendo		-	-	-	-	1	-	-	1	1	1	-	2	5	3	2	10
Microsoft	Xbox	3	3	2	8	2	2	2	6	-	-	-	-	-	-	-	-
	Xbox360	-	-	-	-	1	1	-	2	1	1	2	4	-	-	-	-
Total of Microsoft		3	3	2	8	3	3	2	8	1	1	2	4	-	-	-	-
SCE	PS2	2	1	1	4	5	2	2	9	3	3	1	7	1	-	-	1
	PS3	-	-	-	-	-	-	-	-	-	-	-	-	1	1	1	3
	PSP	-	-	-	-	1	1	-	2	-	-	1	1	-	-	-	-
Total of SCE		2	1	1	4	6	3	2	11	3	3	2	8	2	1	1	4
Grand total		5	4	3	12	10	6	4	20	5	5	4	14	7	4	3	14

Titles Launched and To Be Launched in Fiscal year ending December 2007 [2]

<Online game titles>



March 8
WarRock
Service started

May 11
"The Lord of the Rings
Online"
Sale started



Planned to be launched
on September
"Gallop Racer ONLINE"
Service planned to start



Planned to be
launched in 2007
BASTARD!! ONLINE
Service planned to start

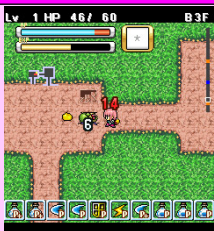


Planned to be launched
in autumn 2007
Monster Farm ONLINE
Service planned to start



January	February	March	April	May	June	July	August	September	October	November	December
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April 17
OTAKARA
DungeonRPG
(i-mode)



<Mobile game titles>

July 17
DOA Paradise
(i-mode)



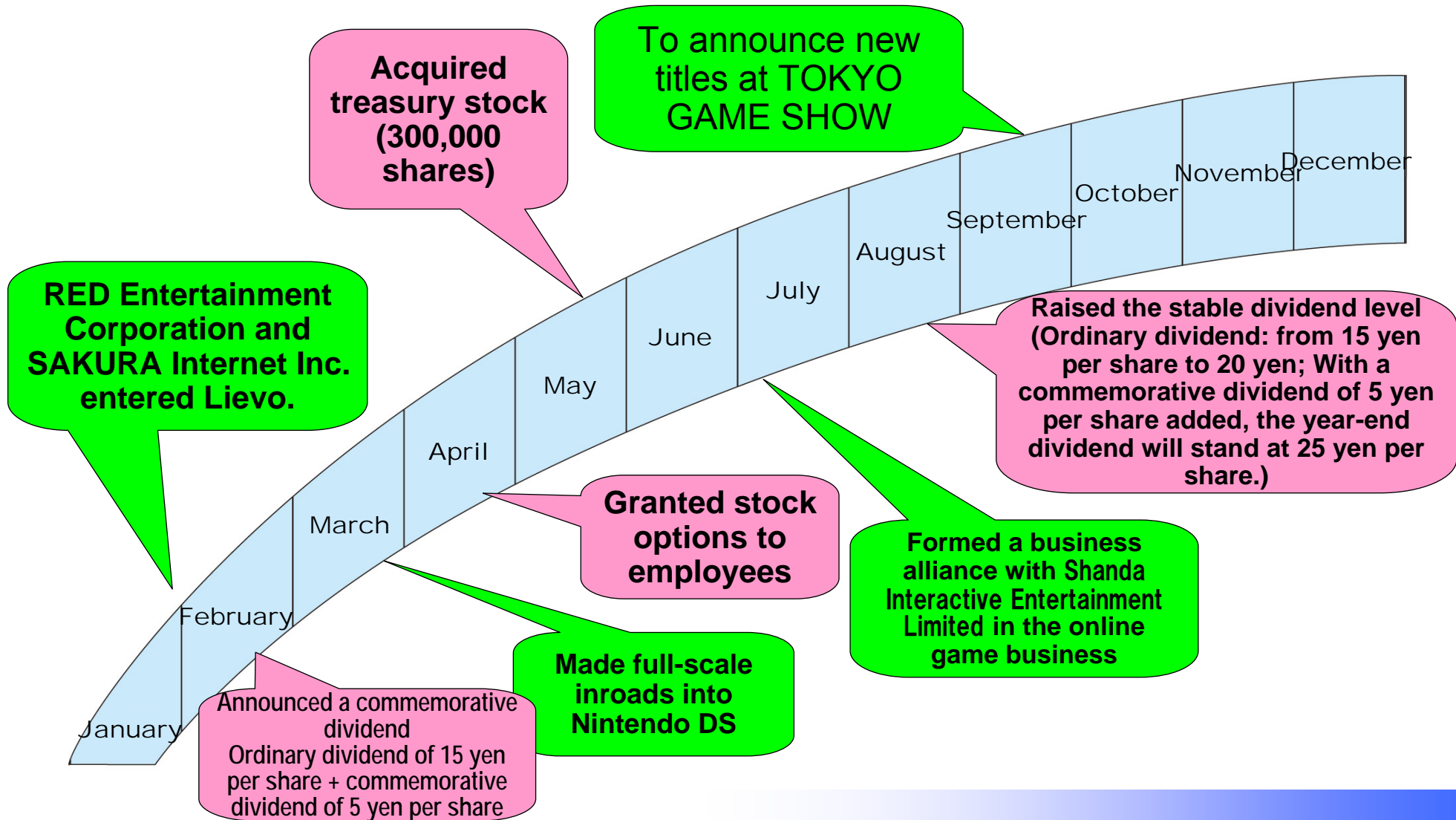
September
TECMO BOWL 2
(North America)



October
New game title

December
New game site

Major Efforts in Fiscal Year ending December 2007



General Conditions of TECMOWAVE, LTD.

General Conditions of TECMOWAVE

- [1] Revitalization of existing outlets (efficient investment and enhancement of the operation system)
- [2] Promotion of outlets of new categories
Renovation of “Hello Kitty’s Doremifa Island” and study of opening of the second outlet
- [3] Enhancement of used amusement machine sales business



A character show, in which Hello Kitty appears



“TECMOPIA LUXY” Operating area: About 670 square meters



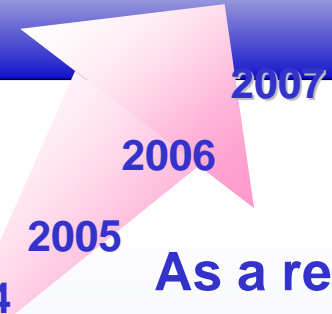
“Hello Kitty’s Doremifa Island” Operating area: About 554 square meters

General Conditions of ULTRA SOCCER NET COMMUNICATIONS, LTD.

Various businesses have been derived from "ULTRA World SOCCER," one of the largest soccer mobile sites in Japan.

A full-scale portable media era has arrived thanks to technological innovation of cellular phones.

Alliances have been formed with prestigious clubs in the world as a result of the success of FC Barcelona



As a result, business is expanding.



World Eleven Shop
FC Barcelona SHOP
Manchester United mobile STORE
Reds Press Shop

EC business

Overseas site business

Video content business

SNS
"ULTRA SOCCER"
Scheduler
"FC11"



PC business



Consigned editing business, etc.

Sale of software for cellular phones

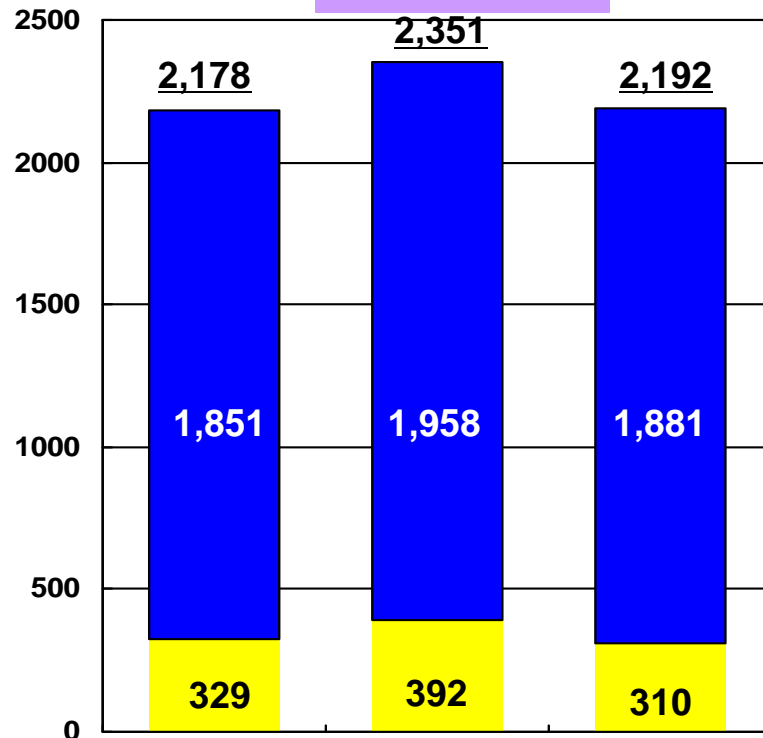
<Technology> ASP business

Consolidated Sales and Operating Profit by Segment

Interim period

Sales

(Unit: Millions of yen)



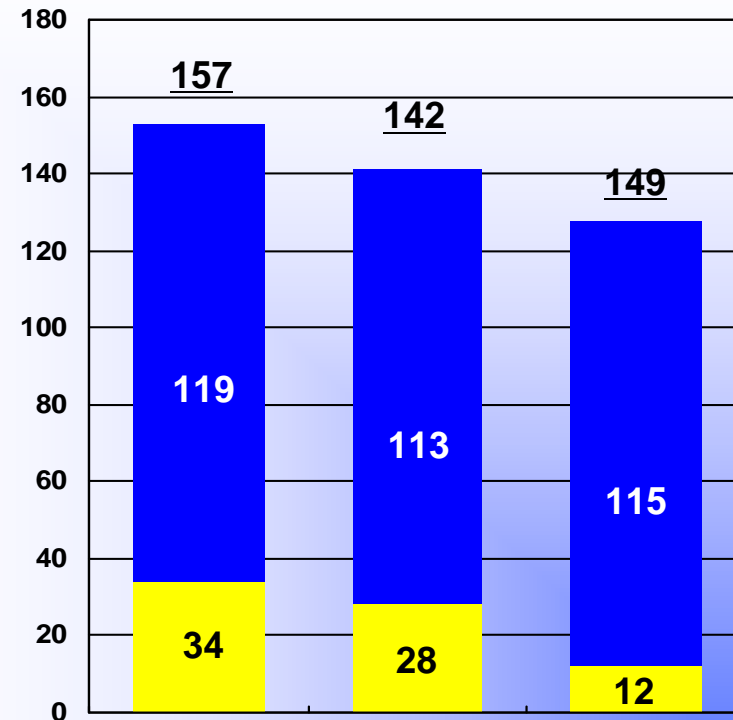
Actual results for the interim period ended June 2006

Projections for the interim period ended June 2007

Actual results for the interim period ended June 2007

■ Amusement business
■ Web business

Operating profit



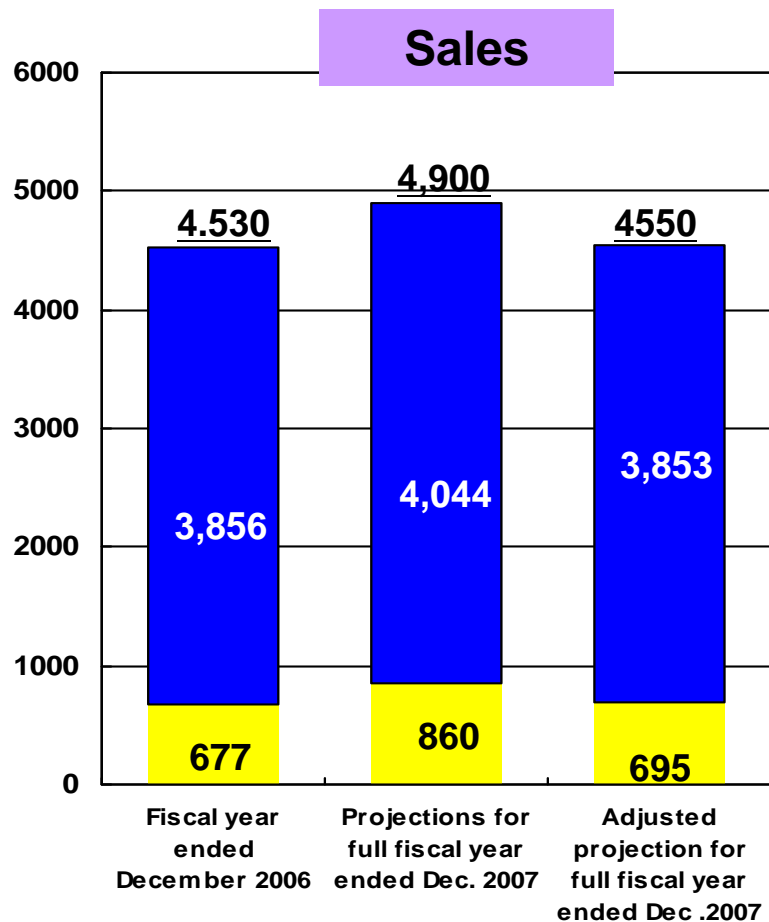
Actual results for the interim period ended June 2006

Projections for the interim period ended June 2007

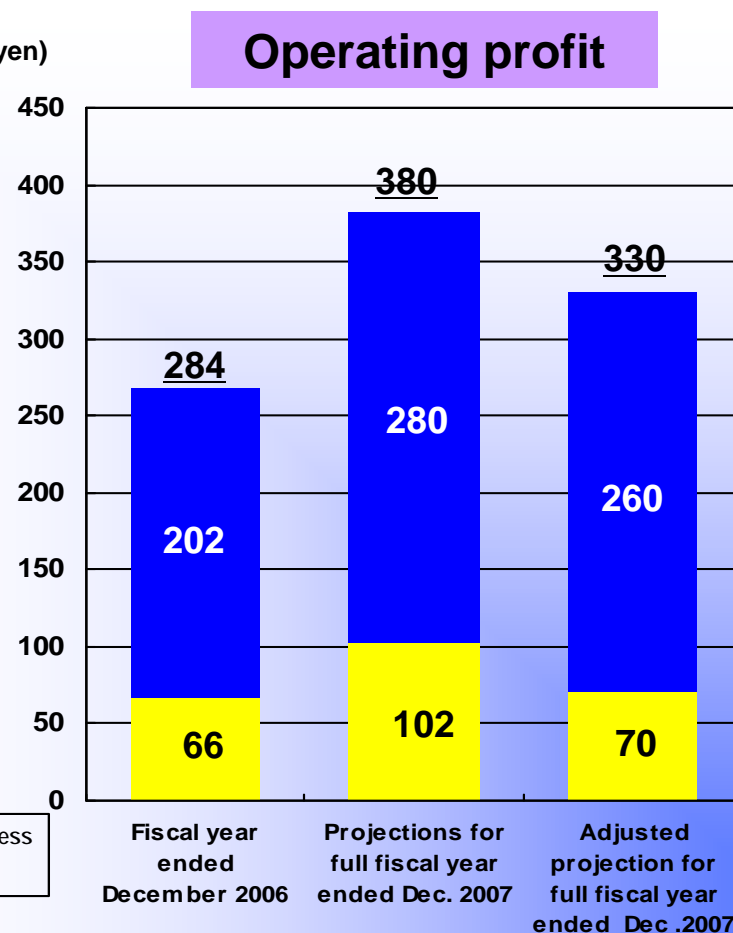
Actual results for the interim period ended June 2007

Consolidated Sales and Operating Profit by Segment

Full fiscal year



(Unit: Millions of yen)



■ Amusement business
■ Web business

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Information on the future earnings projections, which is provided in this document, is as of the time when this document was prepared.

Actual earnings of the Company will possibly differ greatly from the projections because of various elements. They may be worse than the assumptions in this document. Elements that could affect the actual earnings of the Company include the following, but are not limited to them.

1. Changes in the economic environment, which will affect the business of TECMO
2. Fluctuations in exchange rate between the yen and the U.S. dollar (in particular) and the euro
3. TECMO's capability to continue to provide products and services that are accepted by consumers in each field
4. TECMO's capability to successfully expand operations internationally in businesses concerning games, commercial-use software, online games and mobile content
5. Revision of laws and regulations, and TECMO's capability to cope with such revisions

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