




**Financial Reporting
for the First Quarter
Ended December 2008**

Summary of Business Results

TECMO

May 14, 2008



Outline of Consolidated Financial Statements: Jan. to Dec.2008 Period, 1st Quarter

(Unit : \Mil.)

	Dec.2007 First quarter Actual Results	Dec.2008 First quarter		Change	
		Target	Actual Results	Y-o-Y	Variance from Target
Sales	2,466	1,900	2,583	117	683
Operating Profit	653	-100	463	-190	563
Ordinary Profit	704	-400	213	-491	613
Current Net Profit	380	-600	30	-350	630
Operating Profit %	26.5%	-	17.9%	-8.6%	-
Ordinary Profit %	28.6%	-	8.3%	-20.3%	-

- Sales and profit both outperformed targeted figures.
- Year-on-year results showed decline in profits despite increase in sales.
- Foreign exchange loss of approx. ¥300 million incurred in the 1st Quarter.
End of December, 2007 1\$=¥114.16, End of March, 2008 1\$=¥100.19

Consolidated Sales/Operating Profit Performance by Segment

(Unit : \Mil.)

Sales/Operating Profit by Segment		Dec.2007 First quarter Actual Results	Dec.2008 First quarter		Change	
			Target	Actual Results	Y-o-Y	Variance from Target
Games	Sales	401	500	863	461	363
	Operating Profit	107	-50	253	145	303
Multi Contents	Sales	631	250	606	-24	356
	Operating Profit	465	30	305	-160	275
SP	Sales	252	0	0	-252	0
	Operating Profit	141	-5	-3	-145	2
Rights	Sales	26	50	33	7	-17
	Operating Profit	13	20	15	1	-5
AM	Sales	1,154	1,100	1,080	-74	-20
	Operating Profit	111	75	55	-55	-20
Deletion	Operating Profit	-185	-170	-161		
Total	Sales	2,466	1,900	2,583	117	683
	Operating Profit	653	-100	463	-190	563

○ Games /Multi-Contents businesses resulted in a favorable trend, with sales and profit both outperforming targeted figures

Games Business

◆ Consolidated Sales/Operating Profit

(Unit : \Mil.)

	Dec.2007 First quarter Actual Results	Dec.2008 First quarter		Change	
		Target	Actual Results	Y-o-Y	Variance from Target
Sales	401	500	863	461	363
Operating Profit	107	-50	253	145	303
Operating Profit %	26.7%	-	29.3%	2.6%	-
Shipments	130,000	200,000	270,000	140,000	70,000

- Repeat version of “NINJA GAIDEN Σ” (released June 14, 2007) contributed to sales and profit.
(Jan.~ Dec. 2008/ 1st Quarter shipments: 30,000 Cumulative global shipments: 640,000)
- “NINJA GAIDEN Dragon Sword” released in both Japan and USA in March, 2008.
(Jan.~ Dec. 2008/ 1st Quarter, cumulative Japan/USA shipments: 200,000)

Multi-Contents Business

◆ Consolidated Sales/Operating Profit

(Unit : \Mil.)

	Dec.2007	Dec.2008		Change	
	First quarter	First quarter		Y-o-Y	Variance from Target
	Actual Results	Target	Actual Results		
Sales	631	250	606	-24	356
Operating Profit	465	30	305	-160	275
Operating Profit %	73.8%	11.8%	50.4%	-23.4%	38.5%

◇ Online-Games

- “Monster Farm Online” domestic service launched on March 25, 2008.

※Number of TECMO Online-Game Registered Members : 530,000

◇ Mobile-Games

- “NET-FUN Mobile” steadily approaching target, contributing to both sales and profit.
- Sales of “OTAKARA Quest RPG” Medal Appli steadily increasing since launch of service in December, 2007.

SP Business

◆ Consolidated Sales/Operating Profit

(Unit : \Mil.)

	Dec.2007 First quarter Actual Results	Dec.2008 First quarter		Change	
		Target	Actual Results	Y-o-Y	Variance from Target
Sales	252	0	0	-252	0
Operating Profit	141	-5	-3	-145	2
Operating Profit %	56.2%	-	-	-	-

○ Progress in accordance with targeted figures.

Rights Business

◆ Consolidated Sales / Operating Profit

(Unit : \Mil.)

	Dec.2007	Dec.2008		Change	
	First quarter	First quarter		Y-o-Y	Variance from Target
	Actual Results	Target	Actual Results		
Sales	26	50	33	7	-17
Operating Profit	13	20	15	1	-5
Operating Profit %	52.1%	40.0%	45.3%	-6.8%	5.3%

● Scheduled release of “Rio” character for 1st Quarter delayed after 2nd Quarter .

Amusement Facilities Management

◆ Consolidated Sales/Operating Profit

(Unit : \Mil.)

	Dec.2007 First quarter Actual Results	Dec.2008 First quarter		Change	
		Target	Actual Results	Y-o-Y	Variance from Target
Sales	1,154	1,100	1,080	-74	-20
Operating Profit	111	75	55	-55	-20
Operating Profit %	9.6%	6.8%	5.2%	-4.5%	-1.7%

- Both sales and profit failed to achieve target figures resulting from decrease in amusement facility customers due to such reasons as high gasoline prices.

Dec. 2008 First quarter Consolidated Balance Sheet

(Unit: ¥Mil.)

	Dec.2007 First quarter	Dec.2008 First quarter	Change
Current Assets	19,846	19,612	-234
Fixed Assets	5,205	5,319	113
Total Assets	25,052	24,931	-120

Current Liabilities	2,709	3,674	964
Fixed Liabilities	1,117	364	-753
Total Liabilities	3,827	4,038	211
Total Net Assets	21,225	20,893	-332
Total Liabilities and Net Assets	25,052	24,931	-120

○Decrease in Fixed Liabilities

Decrease due to abolishment of directors retirement benefits and repayment of subsidiary's bank loan.

Key Points of Dec. 2008 First quarter Consolidated Balance Sheet

◆ Consolidated Balance Sheet Major Changes in Current Assets

(Unit: ¥Mil.)

	Dec.2007 First quarter	Dec.2008 First quarter	Change
Cash and Deposits	13,161	7,712	-5,448
Securities	-	4,503	4,503
Total	13,161	12,216	-945

(1) Cash and Deposits

- Change in recognition of negotiable deposits (¥3.5 billion) to “Securities”.

(2) Securities

- Change in recognition of negotiable deposits (¥3.5 billion) from “Cash and Deposits”.
- ¥1 billion purchase made by TECMOWAVE LTD. in securities (MMF).