

**Financial Statements Summary for
Fiscal Year Ended December 2008**

Business Plan for Fiscal Period Ending March 2009

TECMO

Feb. 16, 2009

Consolidated Financial Summary for FY Ended Dec. 2008

(Unit: \Mil.)

	FY Ended Dec. 2007 Actual Results	FY Ended Dec. 2008		Change		<Rel.>Percentage of progress in attaining full-year target announced on Feb. 20, 2008
		Target	Actual Results	Y-o-Y	Variance from Target	
Sales	12,047	14,300	11,916	-131	-2,383	83.3%
Operating Profit	1,886	2,200	1,344	-542	-855	61.1%
Ordinary Profit	1,975	2,000	953	-1,021	-1,046	47.7%
Current Net Profit	991	1,000	-237	-1,229	-1,237	-
Operating Profit%	15.7%	15.4%	11.3%	-4.4%	-4.1%	-
Ordinary Profit %	16.4%	14.0%	8.0%	-8.4%	-6.0%	-

- Sales and profit decreased in both year-on-year and target comparisons.
- Sales: Decrease from target level resulted primarily from the fact that the games and amusement facilities management businesses were unable to reach their target.
- Ordinary Profit: Major reason for year-on-year decrease was due to the posting of ¥493 million of exchange loss.
(FY ended Dec. 2007: ¥70 million exchange loss)
Exchange Rate/ End of Dec. 2007 US\$1.00=¥114.16, End of Dec. 2008 US\$1.00=¥91.04
- Current Net Profit: Major reason for year-on-year decrease was due to the posting of ¥968 million extraordinary loss (¥239 million for payment of retroactive wages, ¥ 205 million for loss from devaluation of stocks invested in business partner companies and ¥ 115 million for management integration related fees, etc.)

Consolidated Sales/Operating Profit Performance, by Segment

(Unit: \Mil.)

Sales/Operating Profit, by Segment		FY Ended Dec. 2007	FY Ended Dec. 2008		Change		<Ref.>Percentage of progress in attaining full-year target announced on Feb.
		Actual Results	Target	Actual Results	Y-o-Y	Variance from Target	
Games Business	Sales	4,439	6,800	5,313	873	-1,486	78.1%
	Operating Profit	847	1,450	1,054	206	-395	72.7%
Multi-Contents Business	Sales	1,543	1,700	1,535	-8	-164	90.3%
	Operating Profit	609	620	502	-107	-117	81.0%
SP Business	Sales	1,373	1,000	885	-488	-114	88.6%
	Operating Profit	730	500	454	-275	-45	90.9%
Rights Business	Sales	161	200	118	-43	-81	59.3%
	Operating Profit	72	100	36	-35	-63	36.1%
Amusement Business	Sales	4,528	4,600	4,063	-464	-536	88.3%
	Operating Profit	316	280	-43	-360	-323	-
Elimination	Operating Profit	-689	-750	-659			87.9%
Total	Sales	12,047	14,300	11,916	-131	-2,383	83.3%
	Operating Profit	1,886	2,200	1,344	-542	-855	61.1%

- Games business resulted in increase from previous year for both sales and profit, but did not reach the target level.
- Sales and profit of other businesses all fell below from both the previous year's performance and target level.

Consolidated Sales, by Region

(Unit: \Mil.)

Consolidated Sales, by Region	FY Ended Dec. 2007	FY Ended Dec. 2008		
			Change	Y-o-Y
Japan	8,565	7,895	-670	92.2%
North America	2,515	2,560	45	101.8%
Europe, Etc.	966	1,461	495	151.2%
Total	12,047	11,916	-131	98.9%

- SP business declined in sales due to the cooling of pachinko/pachislot markets, which were affected by regulations and the postponing of new releases to the following period to address specification-changes in keeping with deregulation
- Sales from amusement facilities management business decreased due to the evaporating consumer confidence as result of succession of rising prices of daily necessity items (i.e., gasoline and foodstuff).
- For the above reasons, year-on-year sales in Japan resulted in a downturn.

Major Titles Released in FY Ended Dec. 2008 ※1

Global Strategy Titles			Japan Strategy Titles	
NINJA GAIDEN Σ	NINJA GAIDEN Dragon Sword	NINJA GAIDEN II ※2	DS Yamamura Misa Suspense Series	DS Kyotaro Nishimura Suspense Series 2
PS3	DS	Xbox 360	DS	DS
Japan: released in June 2007 N. America: released in July 2007 Europe: released in July 2007	Japan: released in Mar. 2008 N. America: released in Mar.2008 Europe: released in June 2008	Japan, N. America, Europe: released in June 2008	Japan: released in May 2008	Japan: released in October 2008
155,000 units shipped※3	340,000 units shipped	1,100,000 units shipped	100,000 units shipped	100,000 units shipped
Cumulative number of units shipped: 765,000	Cumulative number of units shipped: 340,000	Cumulative number of units shipped: 1,100,000	Cumulative number of units shipped: 100,000	Cumulative number of units shipped: 100,000
				

※1 Titles sold from other companies also included.

※2 Overseas sales of “NINJA GAIDEN II” distributed by Microsoft.

※3 Number of “NINJA GAIDEN Σ” units shipped as indicated above is the combined total of “Repeat” and “the Best” versions.

Multi-Contents Business

◆ Consolidated Sales / Operating Profit

(Unit: ¥Mil.)

		FY Ended Dec. 2007	FY Ended Dec. 2008		Change	
		Actual Results	Target	Actual Results	Y-o-Y	Variance from Target
Online Games	Sales	642	850	888	245	38
	Operating Profit	353	360	409	55	49
	Operating Profit %	55.0%	42.4%	46.1%	-8.9%	3.7%
Mobile Games	Sales	900	850	647	-257	-203
	Operating Profit	255	260	92	-162	-168
	Operating Profit %	28.4%	30.6%	14.2%	-14.2%	-16.4%
Total: Multi-Contents Business	Sales	1,543	1,700	1,535	-8	-165
	Operating Profit	609	620	502	-107	-118
	Operating Profit %	39.5%	36.5%	32.7%	-6.8%	-3.8%

◆ Online Games

- Domestic “Monster Farm Online” service launched on March 25, 2008 (however, service was suspended on Nov. 3, 2008)
- Sales of “WarRock” shifted favorably.
 - ※ No. of TECMO Online-Game Registered Members: 680,000
- Income from online games operation rights was posted as sales.

◆ Mobile Contents

- Service for “Ainori★Love Wagon” launched in July.
- Service for “Kyotaro Nishimura & Misa Yamamura’s Suspense Series” launched in August.
- Target for “NET-FUN Mobile” was not attained due to decrease in members affected by the cooling of the pachislot market affected by regulations.

Games Business

◆ Consolidated Sales / Operating Profit

(Unit: ¥Mil.)

	FY Ended Dec. 2007	FY Ended Dec. 2008		Change	
	Actual Results	Target	Actual Results	Y-o-Y	Variance from Target
Sales	4,439	6,800	5,313	873	-1,486
Operating Profit	847	1,450	1,054	206	-395
Operating Profit %	19.1%	21.3%	19.8%	0.8%	-1.5%
Total Units Sold	1,350,000	3,000,000	2,310,000	960,000	-690,000

○ Global release of “NINJA GAIDEN II” in June.

(As of end of Q4 of FY ended Dec. 2008, cumulative global shipment totaled 1.1 million units)

○ The repeat version of “NINJA GAIDEN Σ” (released previous period) and “NINJA GAIDEN Σ, the Best” (released in July) contributed to both sales and profit.

(Number of “NG Σ” units shipped as of FY ended Dec. 2008 totaled 70,000, with cumulative global shipment of 680,000 units.)

(Number of “NG Σ, the Best” units shipped as of FY ended Dec. 2008 totaled 85,000, with cumulative global shipment of 765,000 units.)

● “NINJA GAIDEN Dragon Sword” was released worldwide in March, but the number of units sold did not reach the target level.

(As of FY ended Dec. 2008, cumulative global shipment totaled 340,000 units)

SP Business

◆ Consolidated Sales / Operating Profit

(Unit: ¥Mil.)

	FY Ended Dec. 2007 Actual Results	FY Ended Dec. 2008		Change	
		Target	Actual Results	Y-o-Y	Variance from Target
Sales	1,373	1,000	885	-488	-114
Operating Profit	730	500	454	-275	-45
Operating Profit %	53.2%	50.0%	51.3%	-1.9%	1.3%

- Released two pachinko titles: (“CR Tenku Kabuki” and “CR Minisuka Police 2”)
- Released three pachislot titles (“MoguMogu Furin Kazan,” “Akane 55” and “KAIDOGATAI-GOKENO-V”
- Downturn in the pachinko/pachislot markets, which were affected by regulations, resulted in decrease in both sales and profit.
- In addressing specification-changes in keeping with deregulation, release of three titles originally scheduled for the second half was postponed to the following (or later) period.

Rights Business

◆ Consolidated Sales / Operating Profit

(Unit: ¥Mil.)

	FY Ended Dec. 2007	FY Ended Dec. 2008		Change	
	Actual Results	Target	Actual Results	Y-o-Y	Variance from Target
Sales	161	200	118	-43	-81
Operating Profit	72	100	36	-35	-63
Operating Profit %	44.7%	50.0%	30.5%	-14.2%	-19.5%

● Release of “Rio” and “Kasumi” figures, originally scheduled for the second half of the year, was postponed to following (or later) period.

Amusement Facilities Management Business

◆ Consolidated Sales / Operating Profit

(Unit: ¥Mil.)

	FY Ended Dec. 2007	FY Ended Dec. 2008		Change	
	Actual Results	Target	Actual Results	Y-o-Y	Variance from Target
Sales	161	200	118	-43	-81
Operating Profit	72	100	36	-35	-63
Operating Profit %	44.7%	50.0%	30.5%	-14.2%	-19.5%

○ Seven new stores were opened.

(Two new stores opened in Kawaguchi and Nishinomiya in November. Also five new stores opened in hotels located in Okinawa.)

● Sales and profit did not reach previous year's figures for both actual performance and target levels since consumer confidence was shaken by the succession of rising prices of daily necessity items such as gasoline and foodstuff, resulting in decrease of customers visiting the facilities.

● Ten stores were closed (Mihama, Yukihashi, and eight stores located in Okinawa hotels) mainly for their decline in profitability.

Consolidated Balance Sheet for FY Ended Dec. 2008

(Unit: ¥Mil.)

	FY Ended Dec. 2007	FY Ended Dec. 2008	Change
Current Assets	20,254	17,245	-3,008
Fixed Assets	5,366	5,596	229
Total: Assets	25,620	22,842	-2,778

Current Liabilities	3,773	2,815	-957
Fixed Liabilities	334	273	-61
Total: Liabilities	4,108	3,089	-1,018
Total: Net Assets	21,512	19,752	-1,760
Total: Liabilities and Net Assets	25,620	22,842	-2,778

○Decrease in Assets

Decrease in the total amount of “Cash and Deposits” and “Securities” (¥3,918 million)

○Decrease in Liabilities

Decrease in current liabilities (mainly incomes taxes payable, etc.) due to decrease in net profit before taxes and other adjustments (¥428 million) .

○Decrease in Net Assets:

Decrease in retained earnings, mainly for retirement of treasury stock.(¥ 624 million)

Key Points of Consolidated Balance Sheet for FY Ended Dec. 2008

◆ Consolidated Balance Sheet: Major Changes in Current Assets

(Unit: ¥Mil.)

	FY Ended Dec. 2007	FY Ended Dec. 2008	Change
Cash and Deposits	8,008	6,657	-1,351
Securities	6,002	3,435	-2,566
Total	14,011	10,093	-3,918

○ Decrease in the total amount of “Cash and Deposits” and “Securities”

Major reasons for the decrease were dividend payment for FY ended Dec. 2007 (¥ 565 million), income tax payment (¥ 405 million) and acquisition of treasury stock (¥ 741million).

TECMO Non-Consolidated Financial Summary for FY Ended Dec. 2008

(Unit: ¥Mil.)

	FY Ended Dec. 2007	FY Ended Dec. 2008		Change		<Ref.>Percentage of progress in attaining full-year target announced on Feb. 20,
	Actual Results	Target	Actual Results	Y-o-Y	Variance from Target	
Sales	6,659	8,000	7,030	371	-970	87.9%
Operating Profit	1,629	2,000	1,546	-82	-454	77.3%
Ordinary Profit	1,698	1,700	1,150	-548	-550	67.6%
Current Net Profit	947	950	197	-750	-753	20.7%
Operating Profit%	24.5%	25.0%	22.0%	-2.5%	-3.0%	-
Ordinary Profit %	25.5%	21.3%	16.4%	-9.1%	-4.9%	-

- In year-on-year comparison, sales showed increase, while profit decreased.
- For target comparison, both sales and profit decreased.
- Ordinary Profit: Major reason for year-on-year decrease was due to the posting of ¥510 million in exchange loss.
(FY ended Dec. 2007 : ¥94 million exchange loss)
Exchange Rate/ End of Dec. 2007 US\$1.00=¥114.16, End of Dec. 2008 US\$1.00=¥91.04
- Current Net Profit: Major reasons for year-on-year decrease were due to the posting of ¥239 million for payment of retroactive wages, ¥ 85 million for shortage of reserve, etc., in keeping with the change in calculation method of retirement benefits for employees and ¥ 115 million for management integration related fees.



**Business Plan for Fiscal
Period Ending March 2009**

Change in Accounting Standards

- Up until Fiscal Year Ended Dec. 2008:
Development cost for titles not yet released and development cost for unsold portion of already released titles were posted as “inventory assets.”
- From Fiscal Term Ending March 2009:
All development costs will be posted as “cost of sales” expenses.

Consolidated Plan for Fiscal Period Ending Mar.2009

(Unit: ¥Mil.)

	1st Quarter of FY Ended Dec. 2008	Fiscal Period Ending Mar. 2009		
	Actual Results	Target	Change	Y-o-Y
Sales	2,583	1,470	-1,113	56.9%
Operating Profit	463	-1,180	-1,643	-
Ordinary Profit	213	-1,180	-1,393	-
Current Net Profit	30	-5,000	-5,030	-
Operating Profit%	17.9%	-80.3%	-98.2%	-
Ordinary Profit%	8.2%	-80.3%	-88.5%	-

- In keeping with the management integration with Koei Co., Ltd., fiscal settlement period will change from the current FY ending December to a new settlement period ending March. For this reason, current period will result in an irregular settlement period of three months.
- Exchange rate is estimated at US\$1.00=¥90. Therefore, effect of exchange rate per ¥ 1 will result as ¥5 million (based on operating profit).
- Extraordinary loss of ¥3.8 billion was posted due to changes made in the method of recording development costs related to management integration.

Consolidated Sales/Operating Profit Plan, by Segment

(Unit: \Mil.)

Sales/Operating Profit, by Segment		1st Quarter of FY Ended Dec. 2008	Fiscal Period Ending Mar. 2009		
		Actual Results	Target	Change	Y-o-Y
Games Business	Sales	863	450	-413	52.1%
	Operating Profit	253	-710	-963	-
Multi-Contents Business	Sales	606	150	-456	24.7%
	Operating Profit	305	-190	-495	-
SP Business	Sales	0	12	11	-
	Operating Profit	-3	0	3	-
Rights Business	Sales	33	8	-25	23.8%
	Operating Profit	15	0	-15	-
Amusement Business	Sales	1,080	850	-230	78.7%
	Operating Profit	55	-60	-115	-
Elimination	Operating Profit	-161	-220		
Total	Sales	2,583	1,470	-1,113	56.9%
	Operating Profit	463	-1,180	-1,643	-

○Games business contributed to sales through amusement facilities management business and new releases such as “Aibo DS.”

Games Business

◆ Consolidated Sales/Operating Profit Plan

(Unit: ¥Mil.)

	1st Quarter of FY Ended Dec. 2008	Fiscal Period Ending Mar. 2009		
	Actual Results	Target	Change	Y-o-Y
Sales	863	450	-413	52.1%
Operating Profit	253	-710	-963	-
Total No. of Shipped Units	270,000	140,000	-130,000	51.9%

○ “Aibo DS” (DS), targeting the Japanese domestic market, is scheduled for released in March.

Multi-Contents Business

◆ Consolidated Sales/Operating Profit Plan

(Unit: \Mil.)

		1st Quarter of FY Ended Dec. 2008	Fiscal Period Ending Mar. 2009		
		Actual Results	Target	Change	Y-o-Y
Online Games	Sales	418	50	-368	12.0%
	Operating Profit	273	-160	-433	-
Mobile Games	Sales	185	100	-85	54.1%
	Operating Profit	32	-30	-62	-
Total: Multi-Contents	Sales	606	150	-456	24.8%
	Operating Profit	305	-190	-495	-

◇ Online Games

- “DOA ONLINE” service scheduled to start in China.

◇ Mobile Contents

- Aiming to expand customer base through attempts at strengthening existing sites and improving operation services.

SP Business

◆ Consolidated Sales/Operating Profit Plan

(Unit: ¥Mil.)

	1st Quarter of FY Ended Dec. 2008	Fiscal Period Ending Mar. 2009		
	Actual Results	Target	Change	Y-o-Y
Sales	0	12	11	-
Operating Profit	-3	0	3	-

● No scheduled release for the current period.

Rights Business

◆ Consolidated Sales/Operating Profit Plan

(Unit: ¥Mil.)

	1st Quarter of FY Ended Dec. 2008	Fiscal Period Ending Mar. 2009		
	Actual Results	Target	Change	Y-o-Y
Sales	33	8	-25	23.8%
Operating Profit	15	0	-15	-

○ Figures for TECMO's popular "Rio" and "Kasumi" characters are scheduled for release.

Amusement Facilities Management Business

◆ Consolidated Sales/Operating Profit Plan

(Unit: ¥Mil.)

	1st Quarter of FY Ended Dec. 2008	Fiscal Period Ending Mar. 2009		
	Actual Results	Target	Change	Y-o-Y
Sales	1,080	850	-230	78.7%
Operating Profit	55	-60	-115	-

● No scheduled opening of new stores.

Reference Material

(Ref.) Change of Key Management Indicators ①

			Dec. 2004	Dec. 2005.	Dec. 2006	Dec. 2007	Dec. 2008
Dividend Payout Ratio	Consolidated Current Net Profit per Share (∖share)		59.4	24.9	32.8	40.7	-10.0
	Dividends (∖ share)		11.25	20	15	25	20
	Dividend Payout Ratio	(%)	18.9%	80.3%	45.8%	61.4%	-
ROE	Consolidated Current Net Profit (∖ Mil.)		1,435	617	813	991	-237
	Net Assets (Shareholders' Equity) (∖ Mil.)		19,410	19,946	21,200	21,512	19,752
	ROE	(%)	7.4%	3.1%	3.8%	4.6%	-1.2%
DOE	DOE=ROE× Dividend Payout Ratio	(%)	1.4%	2.5%	1.8%	2.8%	-
PER (as of year-end)	Share Price (as of year-end) (∖ share)		814	1111	915	1309	813
	Consolidated Current Net Profit per Share (∖ share)		59.4	24.9	32.8	40.7	-10.0
	PER	(times)	13.7	44.6	27.9	32.2	-
(Ref.)	Average No. of Shares During Period	(Share)	23,651,222	24,787,750	24,841,412	24,378,921	24,569,480

(Ref.) Change of Key Management Indicators ②

	Dec. 2004	Dec. 2005	Dec. 2006	Dec. 2007	Dec. 2008
8Sales (¥ Mil.)	7,926	12,277	11,628	12,047	11,916
Ordinary Profit (¥ Mil.)	1,201	1,220	1,363	1,975	952
Current Net Profit (¥ Mil.)	1,434	617	813	991	-237
Net Assets (¥ Mil.)	19,410	19,946	21,200	21,512	19,752
Total Assets (¥ Mil.)	23,512	26,106	25,839	25,620	22,842
Net Assets per Share (¥)	784.4	802.4	813.8	834.8	789.2
Current Net Profit per Share (¥)	59.4	24.9	32.8	40.7	-10.0
Capital Adequacy Ratio (%)	82.56	76.40	77.35	79.0	81.4
Return on Equity (%)	8.08	3.14	4.20	4.93	-
Price-to-Earnings Ratio (times)	13.71	44.63	27.93	32.18	-
Cash Flow from Operating Activities (¥Mil.)	1,096	477	2,729	1,898	-1,287
Cash Flow from Investing Activities(¥1,000)	-654	-748	-10,180	-2,840	4,307
Cash Flow from Financing Activities (¥Mil.)	3,851	883	-948	-155	-1,381
Year-End Balance of Cash and Cash Equivalents (¥Mil.)	12,030	12,711	4,337	3,232	4,593
No. of Employees	418	446	474	471	413

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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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