

**KONAMI**

# FY2010 1<sup>st</sup> Quarter Financial Results

April 1 – June 30, 2009

**KONAMI CORPORATION**  
August 6, 2009

## Cautionary statement with respect to forward-looking statements

Statements made in this presentation with respect to the KONAMI's current plans, estimates, strategies and beliefs, including forecasts, are forward-looking statements about the future performance of KONAMI. These statements are based on management's assumptions and beliefs in light of information currently available to it and, therefore, you should not place undue reliance on them. A number of important factors could cause actual results to be materially different from and worse than those discussed in forward-looking statements. Such factors include, but are not limited to (1) Changes in economic conditions affecting our operations; (2) Fluctuations in foreign exchange rates, particularly with respect to the value of the Japanese yen, the U.S. dollar and the Euro; (3) KONAMI's ability to continue to win acceptance of our products, which are offered in highly competitive markets characterized by the continuous introduction of new products, rapid developments in technology and subjective and changing consumer preferences; (4) KONAMI's ability to successfully expand internationally with a focus on our video game software business, card game business and gaming machine business; (5) KONAMI's ability to successfully expand the scope of our business and broaden our customer base through our health & fitness business; (6) Regulatory developments and changes and our ability to respond and adapt to those changes; (7) KONAMI's expectations with regard to further acquisitions and the integration of any companies we may acquire; and (8) the outcome of contingencies.

- Financial information included herein is not audited by independent public accountants
- (1) Numbers included in this presentation material are;
  - a) in accordance with U.S. GAAP
  - b) rounded to the nearest one hundred million yen
- (2) Revenues of each segment include inter-segment sales

## Net Revenues and Operating Income by Business Segment

(Yen in Billions)

	FY2009 Q1	FY2010 Q1	FY2009	FY2010 Guidance
<u>Net Revenues</u>	Apr - Jun '08	Apr - Jun '09	Apr '08 - Mar '09	Apr '09 - Mar '10
Digital Entertainment	44.9	24.6	187.6	183.0
Health & Fitness	22.2	21.4	90.0	91.0
Gaming & System	3.7	3.9	18.3	20.0
Other / Elimination	0.1	6.0	13.8	16.0
Total	70.8	56.0	309.8	310.0
<u>Operating Income</u>				
Digital Entertainment	13.2	1.5	41.6	31.0
Health & Fitness	0.6	0.0	-8.3	3.5
Gaming & System	0.5	0.7	3.4	3.5
Other / Elimination	-2.6	-1.3	-9.4	-8.0
Total	11.6	1.0	27.4	30.0

## Digital Entertainment (1)

### Net revenues and operating income

(Yen in Billions)

	FY2009 Q1	FY2010 Q1
	Apr - Jun '08	Apr - Jun '09
Computer & Video Games	19.6	9.8
Amusement (arcade machines)	13.7	3.5
Card Games	5.7	6.9
Online	6.4	4.7
Other	-0.5	-0.3
<b>Total Net Revenues</b>	<b>44.9</b>	<b>24.6</b>
<b>Operating Income</b>	<b>13.2</b>	<b>1.5</b>
<b>Operating Margin</b>	<b>29.3%</b>	<b>6.3%</b>

### FY2010 Q1 summary

- Released baseball games with '09 WORLD BASEBALL CLASSIC™ mode
- Solid sales of “Yu-Gi-Oh! Trading Card Game” series
- Line up revealed at Electronic Entertainment Expo 2009 (E3)

## Digital Entertainment (2)

### Unit sales - video games

#### ■ Unit sales breakdown

(units in million)

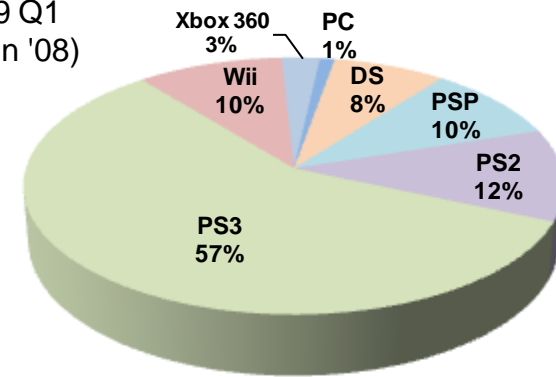
Geographical Zone	FY2009 Q1	FY2010 Q1
	Apr - Jun '08	Apr - Jun '09
Japan	1.93	1.20
North America	2.59	0.53
Europe	2.30	1.16
Asia	0.12	0.06
<b>Total</b>	<b>6.94</b>	<b>2.96</b>

(units in million)

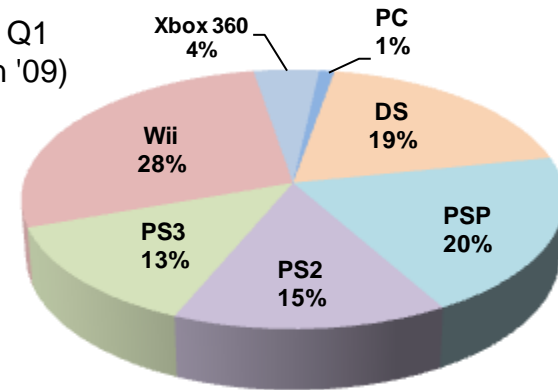
Genre / Category	FY2009 Q1	FY2010 Q1
	Apr - Jun '08	Apr - Jun '09
Soccer	0.95	0.86
Baseball	0.36	0.24
TV Animated	0.30	0.30
Music	0.33	0.16
METAL GEAR	3.94	0.16
Other	1.05	1.25
<b>Total</b>	<b>6.94</b>	<b>2.96</b>

#### ■ Unit sales platform mix

FY2009 Q1  
(Apr - Jun '08)



FY2010 Q1  
(Apr - Jun '09)



## Digital Entertainment (3)

### Announced Titles

Title	Platform	Release Date
PES2010	PS3・Xbox 360 etc.	Fall 2009
DanceDanceRevolution series	PS3・Xbox 360・Wii・PS2	Fall 2009
Karaoke Revolution series	PS3・Xbox 360・Wii	Fall 2009
Silent Hill: Shattered Memories	Wii・PS2・PSP	Fall 2009
pop'n music	Wii	Fall 2009
Ultimate Party Challenge	Wii	Fall 2009
Tornado Outbreak	PS3・Xbox 360・Wii	Fall 2009
LOVEPLUS	DS	Sep 2009
SAW	PS3・Xbox 360・PC	FY 2010
Castlevania: Lords of Shadow	PS3・Xbox 360	2010
METAL GEAR SOLID PEACE WALKER	PSP	2010
METAL GEAR SOLID RISING	PS3・Xbox 360・PC	TBD
InfinityRings	Arcade	Summer 2009



PES2010



DanceDanceRevolution



LOVEPLUS



Silent Hill:  
Shattered Memories



InfinityRings

### Net revenues and operating income

(Yen in Billions)

	FY2009 Q1	FY2010 Q1
	Apr - Jun '08	Apr - Jun '09
Directly Operated Clubs	18.7	17.8
Contract-based Clubs (*)	1.4	1.5
Health Related Products	2.1	2.1
<b>Total Net Revenues</b>	<b>22.2</b>	<b>21.4</b>
<b>Operating Income</b>	<b>0.6</b>	<b>0.0</b>
<b>Operating Margin</b>	<b>2.6%</b>	<b>0.1%</b>

(\*) Contract-based clubs: Outsourcing the operations of sports facilities run by regional public bodies and private-sectors to Konami

### FY2010 Q1 summary

- Directly operated clubs: 228 (y/y +5), Contract-based clubs: 115 (y/y +1), Total: 343 (y/y +6)
- Opened five new clubs (including relocations / rebuilds)
- Enhanced distribution channel of health related products via mail-order marketing etc.

### Net revenues and operating income

(Yen in Billions)

	FY2009 Q1 Apr - Jun '08	FY2010 Q1 Apr - Jun '09
Net Revenue	3.7	3.9
Operating Income	0.5	0.7
Operating Margin	12.9%	17.5%

### FY2010 Q1 summary

- Solid sales of slot machines, steady increase of income from participation and maintenance fee from “Konami Casino Management System (KCMS)” in North America
- Introduction of KCMS and solid sales of slot machines resulted in improved revenues and earnings in Australia
- Entry into Latin American market through extending partnership with official distributors

THANK YOU