

**KONAMI**

# FY2012 Financial Results

Fiscal year ended March 31, 2012

**KONAMI CORPORATION**

**May 10, 2012**

## 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 Digital Entertainment business and Gaming & Systems 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

## Consolidated Financial Results

(Yen in Billions)

	<b>FY2011</b> 12 months ended March 2011	<b>FY2012</b> 12 months ended March 2012	<b>FY2013 Guidance</b> 12 months ending March 2013
Net Revenues	258.0	265.8	270.0
Operating Income	20.8	41.0	41.1
Income Before Income Taxes	19.1	40.0	40.1
Net Income	12.9	23.0	23.1
Net Income Per Share (Yen)	96.48	166.23	166.64
Cash Dividends Per Share (Yen)	32.00	50.00	50.00

## Net Revenues and Operating Income by Business Segment

(Yen in Billions)

	FY2011	FY2012	FY2013 Guidance
	12 months ended March 2011	12 months ended March 2012	12 months ending March 2013
<u>Net Revenues</u>			
Digital Entertainment	133.1	140.4	141.0
Gaming & Systems	21.9	25.2	26.0
Pachinko & Pachinko Slot Machines	18.0	18.4	22.0
Health & Fitness	85.9	82.6	82.0
Other / Elimination	-0.9	-0.8	-1.0
<b>Total</b>	<b>258.0</b>	<b>265.8</b>	<b>270.0</b>
<u>Operating Income</u>			
Digital Entertainment	17.0	33.0	33.0
Gaming & Systems	6.4	6.7	7.0
Pachinko & Pachinko Slot Machines	6.2	4.2	4.5
Health & Fitness	-2.5	2.8	3.0
Other / Elimination	-6.3	-5.7	-6.4
<b>Total</b>	<b>20.8</b>	<b>41.0</b>	<b>41.1</b>

## Digital Entertainment (1)

### Net revenues and operating income

(Yen in Billions)

	FY2011	FY2012
	12 months ended March 2011	12 months ended March 2012
Consumer Games	65.7	50.4
SNS	15.8	36.7
e-Amusement	28.3	25.5
Card Games	21.4	26.2
Other	2.0	1.6
<b>Total Net Revenues</b>	<b>133.1</b>	<b>140.4</b>
<b>Operating Income</b>	<b>17.0</b>	<b>33.0</b>
<b>Operating Margin</b>	<b>12.8%</b>	<b>23.5%</b>

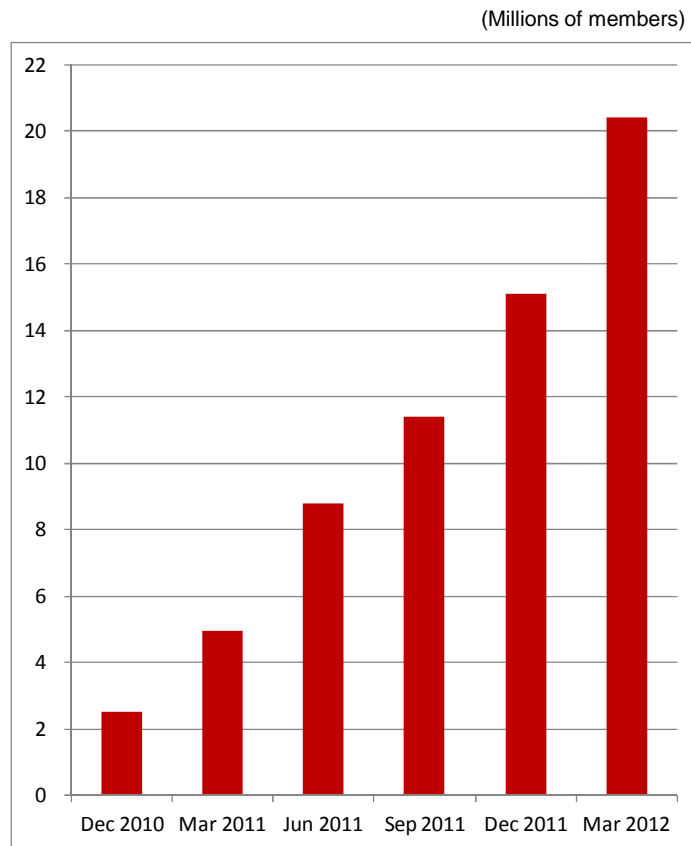
### FY2012 summary

- Solid sales of sports and Metal Gear titles.
- Total registered members of social games including Dragon Collection surpasses 20 million.
- Stable recurring revenues from “e-AMUSEMENT Participation”.
- Solid sales of Yu-Gi-Oh! trading card games.

## Digital Entertainment (2)

### Social Games – Registered Members

\*Cumulative registered members at the end of each month for all social games released by KONAMI.



### ■ Titles in service

Title	Release Date	Platform	Remarks
Dragon Collection	Sep 2010	GREE	No.1 on GREE ranking (as of May 9) Launched for Android in Jun, iOS in Jul 2011
Sengoku Collection	Dec 2010	Mobage	No. 8 on Mobage ranking (as of May 6) Launched for Android & iOS in Sep 2011
Professional Baseball Dream Nine	Apr 2011	GREE/ Mobage/ mixi	No. 2 on GREE ranking (as of May 9) Launched for Android & iOS in Oct 2011 Launched for Mobage in Oct 2011 Launched for mixi in Mar 2012
CROWSxWORST	May 2011	GREE	No. 5 on GREE ranking (as of May 9) Launched for Android in Dec 2011 Launched for iOS in Jan 2012
Slotore! KPE	Jun 2011	GREE	
J.League Dream Eleven	Aug 2011	GREE	No. 14 on GREE ranking (as of May 9) Launched for Android in Dec 2011 Launched for iOS in Apr 2012
Hisho Collection	Aug 2011	GREE	Launched for Android in Oct 2011 Launched for iOS in Feb 2012
Dream Stallion	Nov 2011	Mobage	Launched for Android & iOS
BE-BOP-HIGHSCHOOL	Jan 2012	Mobage	
STAR WARS COLLECTION	Feb 2012	GREE	Launched for Android & iOS
Attack on Titan	Apr 2012	Mobage	

## Digital Entertainment (3)

### Unit sales - video games

#### ■ Unit sales breakdown

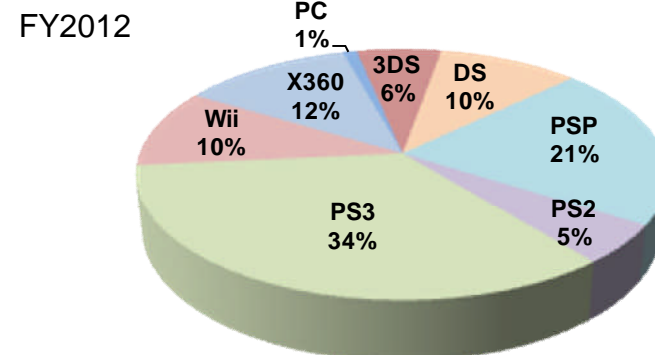
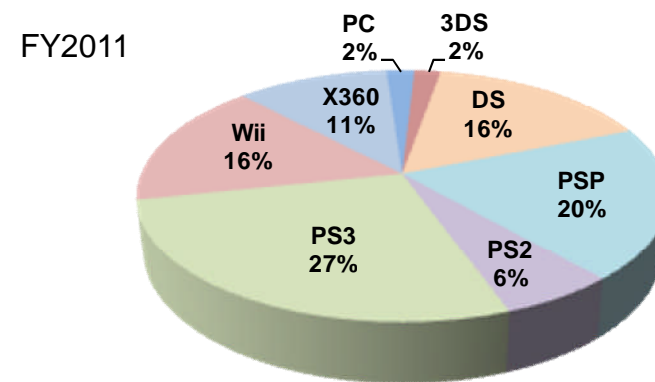
(units in million)

Geographic Region	FY2011	FY2012
	12 months ended March 2011	12 months ended March 2012
Japan	7.78	6.86
Americas	6.28	4.93
Europe	7.55	6.23
Asia	0.33	0.29
<b>Total</b>	<b>21.94</b>	<b>18.30</b>

(units in million)

Genre / Category	FY2011	FY2012
	12 months ended March 2011	12 months ended March 2012
Soccer	7.51	6.43
Baseball	0.95	1.48
TV Animated	1.47	0.55
Music	2.19	1.20
METAL GEAR	1.92	2.12
Other	7.90	6.51
<b>Total</b>	<b>21.94</b>	<b>18.30</b>

#### ■ Unit sales platform mix



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## Digital Entertainment (4)

e-Amusement: Participation (revenue sharing) Titles (as of May 2012)



Quiz Magic Academy  
Kenja no Tobira  
(Launched in Mar 2012)



Steel Chronicle  
(Launched in Dec 2011)



SOUND VOLTEX BOOTH  
(Launched in Jan 2012)



MAH-JONG FIGHT CLUB ultimate version  
(Launched in Nov 2010)



DanceEvolution  
ARCADE  
(Launched in Mar 2012)





### Net revenues and operating income

(Yen in Billions)

	<b>FY2011</b> 12 months ended March 2011	<b>FY2012</b> 12 months ended March 2012
Net Revenue	21.9	25.2
Operating Income	6.4	6.7
Operating Margin	29.5%	26.4%

### FY2012 summary

- Market share expansion through brisk sales of slot machines and increased participation revenues.
- Extended distribution channels in Europe, Latin America, Asia and Africa.

## Pachinko & Pachinko Slot Machines

### Net revenues and operating income

(Yen in Billions)

	FY2011 12 months ended March 2011	FY2012 12 months ended March 2012
Net Revenue	18.0	18.4
Operating Income	6.2(*)	4.2
Operating Margin	34.5%	22.7%

\* Includes reverse-goodwill of JPY2.5B from acquisition of Takasago Electric Industry Co., Ltd.

### FY2012 summary

- Pachislot title “Magical Halloween 3” shipped record number of units in KONAMI’s history.
- Established KPE・TAKASAGO Sales Co., Ltd. to enhance sales structure.

### Net revenues and operating income

	(Yen in Billions)	
	FY2011	FY2012
	12 months ended March 2011	12 months ended March 2012
Directly Operated Clubs	70.6	67.7
Contract-based Clubs (*)	6.7	7.3
Health Related Products	8.6	7.5
<b>Total Net Revenues</b>	<b>85.9</b>	<b>82.6</b>
Operating Income	-2.5	2.8
Operating Margin	-	3.4%

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

### FY2012 summary

- Increased income through efficient operations in directly operated clubs.
- Expanded the network of contract-based clubs.

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THANK YOU