

Summary of Nonconsolidated Financial Results
for the Year ended March 2006

Amuse Inc.

Nonconsolidated balance sheet

March 31; Thousands of yen	2005	%	2006	%
Current assets				
Cash and deposits	1,803,104		1,370,111	
Accounts receivable	1,863,133		1,613,796	
Merchandise	229,131		209,023	
Finished goods	15,451		13,182	
Work in progress	1,625,129		888,889	
Supplies	9,939		10,617	
Advances paid	23,598		12,552	
Prepaid expenses	74,090		73,532	
Deferred tax assets	38,049		61,919	
Short-term loans	2,419,281		4,142,472	
Accounts receivable - other	155,044		-	
Others	1,265		100,687	
Allowance for doubtful accounts	(181,013)		(157,924)	
	<u>8,076,207</u>	63.9	<u>8,338,862</u>	63.9
Fixed assets				
Tangible fixed assets				
Buildings	700,994		598,868	
Tools, appliances and fixtures	26,736		80,536	
Land	1,126,112		1,093,612	
	<u>1,853,843</u>	14.6	<u>1,773,018</u>	13.6
Intangible fixed assets				
Leaseholds	194,189		48,000	
Software	51,821		56,154	
Others	2,635		2,635	
	<u>248,645</u>	2.0	<u>106,789</u>	0.8

March 31; Thousands of yen	2005	%	2006	%
Investments and other assets				
Investment securities	429,548		1,214,094	
Shares of affiliated companies	991,598		1,000,784	
Equity investments	18,718		23,831	
Equity investments in affiliates	14,581		17,348	
Long-term loans	25,771		3,615	
Long-term loans to employees	14,852		11,219	
Long-term loans to affiliates	15,000		-	
Long-term delinquent receivables	97,944		187,411	
Long-term prepaid expenses	54,028		73,549	
Deferred tax assets	317,841		228,736	
Rental and guarantee deposits	199,556		199,708	
Contributions to insurance savings	276,181		-	
Others	90,998		69,677	
Allowance for doubtful accounts	(77,175)		(191,306)	
Total investments and other assets	<u>2,469,445</u>	19.5	<u>2,838,671</u>	21.7
Total fixed assets	<u>4,571,934</u>	36.1	<u>4,718,479</u>	36.1
Total assets	<u>12,648,142</u>	100.0	<u>13,057,341</u>	100.0

March 31; Thousands of yen	2005	%	2006	%
Current liabilities				
Trade accounts payable	2,079,551		1,522,528	
Accounts payable	130,403		219,764	
Accrued expenses payable	17,328		10,898	
Income taxes payable	436,125		669,945	
Advances received	26,603		28,510	
Deposits received	36,863		46,373	
Others	4,723		4,701	
	<u>2,731,598</u>	21.6	<u>2,502,722</u>	19.2
Long-term liabilities				
Employees' retirement benefits	410,749		450,308	
Reserve for directors' retirement allowances	586,599		391,562	
Others	1,048		854	
	<u>998,397</u>	7.9	<u>842,724</u>	6.4
Total liabilities	<u>3,729,995</u>	29.5	<u>3,345,446</u>	25.6
Shareholders' equity				
Common stock	1,587,825	12.5	1,587,825	12.1
Capital reserves				
Additional paid-in capital	1,694,890		1,694,890	
	<u>1,694,890</u>	13.4	<u>1,694,890</u>	13.0
Retained earnings				
Legal income reserve	4,033		4,033	
Voluntary reserves				
Reserve for reduction entry of fixtures	164		164	
Special reserves	4,100,000		4,600,000	
Unappropriated retained earnings, end of term	1,396,781		1,531,341	
	<u>5,500,978</u>	43.5	<u>6,135,538</u>	47.0
Unrealized gains or losses on other securities	147,987	1.2	309,677	2.4
Treasury stock	(13,534)	(0.1)	(16,035)	(0.1)
Total shareholders' equity	<u>8,918,146</u>	70.5	<u>9,711,895</u>	74.4
Total liabilities and shareholders' equity	<u>12,648,142</u>	100.0	<u>13,057,341</u>	100.0

Nonconsolidated statement of income

Years ended March 31; Thousands of yen	2005	%	2006	%
Operating revenues	11,649,318	100.0	17,129,882	100.0
Artist management	7,565,384		14,629,287	
Media-visual	1,453,277		820,862	
Contents	2,630,656		1,679,732	
Cost of operation	9,216,111	79.1	14,008,188	81.8
Artist management	6,294,586		11,842,297	
Media-visual	1,450,404		1,025,140	
Contents	1,471,120		1,140,750	
Gross operating income	2,433,207	20.9	3,121,693	18.2
Selling, general and administrative expenses	1,455,273	12.5	1,600,757	9.3
Operating income	977,933	8.4	1,520,936	8.9
Nonoperating income	74,352	0.6	93,924	0.6
Interest income	24,547		46,083	
Dividend income	21,192		26,978	
Commissions and fees	14,093		3,614	
Others	14,519		17,248	
Nonoperating expenses	23,434	0.2	27,738	0.2
Interest expenses	-		5,609	
Commissions	23,124		19,831	
Others	309		2,298	
Ordinary profit	1,028,851	8.8	1,587,122	9.3
Extraordinary income	40,232	0.4	59,541	0.4
Gain on sales of investment in securities	40,232		-	
Gain on special cancellation of insurance	-		59,541	
Extraordinary losses	8,853	0.1	233,293	1.4
Loss on removal of fixed assets	8,853		-	
Impairment loss	-		233,293	
Income before taxes and other adjustments	1,060,231	9.1	1,413,370	8.3
Corporate, inhabitant and enterprise taxes	446,810		660,415	
Deferred taxes	20,080		(47,125)	
Net income	593,340	5.1	800,080	4.7
Retained earnings carried forward from previous term	803,440		808,783	
Interim dividends	-		77,522	
Unappropriated retained earnings, end of term	1,396,781		1,531,341	