

Summary of Nonconsolidated Financial Results
for the Year ended March 2008

Amuse Inc.

Nonconsolidated balance sheet

March 31; Thousands of yen	2007	%	2008	%
Current assets				
Cash and deposits	1,526,856		844,877	
Accounts receivable	2,360,210		1,113,908	
Merchandise	310,400		277,285	
Finished goods	19,215		26,365	
Work in progress	1,708,704		1,928,287	
Supplies	25,210		32,284	
Advances paid	30,365		62,048	
Prepaid expenses	79,599		78,387	
Deferred tax assets	41,968		81,844	
Short-term loans	4,293,445		4,566,680	
Accounts receivable - other	228,570		240,740	
Others	25,115		69,123	
Allowance for doubtful accounts	(162,189)		(153,882)	
	<u>10,487,473</u>	68.8	<u>9,167,951</u>	66.3
Fixed assets				
Tangible fixed assets				
Buildings	591,285		565,137	
Tools, appliances and fixtures	62,059		51,751	
Land	1,093,612		1,093,612	
	<u>1,746,957</u>	11.5	<u>1,710,501</u>	12.4
Intangible fixed assets				
Leaseholds	48,000		-	
Software	152,112		251,261	
Others	2,635		2,635	
	<u>202,748</u>	1.3	<u>253,897</u>	1.8

March 31; Thousands of yen	2007	%	2008	%
Investments and other assets				
Investment securities	712,228		502,465	
Shares of affiliated companies	1,049,784		1,099,784	
Equity investments	166,435		179,120	
Equity investments in affiliates	17,348		17,348	
Long-term loans	464		251	
Long-term loans to employees	9,680		9,954	
Long-term delinquent receivables	161,276		80,862	
Long-term prepaid expenses	76,773		155,224	
Deferred tax assets	463,354		377,904	
Rental and guarantee deposits	210,615		227,231	
Others	97,066		132,601	
Allowance for doubtful accounts	(165,157)		(84,734)	
Total investments and other assets	<u>2,799,871</u>	18.4	<u>2,698,015</u>	19.5
Total fixed assets	<u>4,749,577</u>	31.2	<u>4,662,414</u>	33.7
Total assets	<u>15,237,051</u>	100.0	<u>13,830,365</u>	100.0

March 31; Thousands of yen	2007	%	2008	%
Current liabilities				
Trade accounts payable	3,850,685		1,678,542	
Short-term borrowings	-		500,000	
Accounts payable	117,345		267,301	
Accrued expenses payable	22,114		18,818	
Income taxes payable	343,474		205,930	
Advances received	19,593		36,145	
Deposits received	133,247		28,982	
Reserve for directors' bonuses	13,380		-	
Allowance for sales return	-		976	
Others	4,843		40,958	
	4,504,685	29.6	2,777,655	20.1
Long-term liabilities				
Employees' retirement benefits	513,924		554,719	
Reserve for directors' retirement allowances	398,878		337,376	
Others	944		944	
	913,746	6.0	893,040	6.4
Total liabilities	5,418,432	35.6	3,670,695	26.5

March 31; Thousands of yen	2007	%	2008	%
Net assets				
Shareholders' equity				
Common stock	1,587,825	10.4	1,587,825	11.5
Capital reserves				
Additional paid-in capital	1,694,890		1,694,890	
	<u>1,694,890</u>	11.1	<u>1,694,890</u>	12.3
Retained earnings				
Legal income reserve	4,033		4,033	
Other retained earnings				
Reserve for advanced depreciation of equipment	164		164	
Special reserves	5,200,000		5,600,000	
Retained earnings carried forward	1,318,638		1,232,523	
	<u>6,522,835</u>	42.8	<u>6,836,720</u>	49.4
Treasury stock	(16,960)	(0.1)	(17,737)	(0.1)
Total shareholders' equity	9,788,589	64.2	10,101,697	73.1
Valuation/translation gains (losses)				
Unrealized gains or losses on other securities	30,029	0.2	57,971	0.4
Total valuation/translation gains (losses)	30,029	0.2	57,971	0.4
Total net assets	<u>9,818,618</u>	64.4	<u>10,159,669</u>	73.5
Total liabilities and net assets	<u>15,237,051</u>	100.0	<u>13,830,365</u>	100.0

Nonconsolidated statement of income

Years ended March 31; Thousands of yen	2007	%	2008	%
Operating revenues	14,327,332	100.0	13,805,934	100.0
Artist management	12,070,805		11,941,325	
Media-visual	748,615		395,866	
Contents	1,507,911		1,468,742	
Cost of operation	11,679,475	81.5	10,686,378	77.4
Artist management	9,984,533		9,146,316	
Media-visual	686,339		503,043	
Contents	1,008,602		1,037,017	
Gross operating income	2,647,856	18.5	3,119,556	22.6
Transfer to allowance for sales return	-		976	0.0
Gross operating income after deductions	2,647,856	18.5	3,118,580	22.6
Selling, general and administrative expenses	1,627,654	11.4	2,166,487	15.7
Operating income	1,020,201	7.1	952,093	6.9
Nonoperating income	104,841	0.7	94,703	0.7
Interest income	62,215		71,038	
Dividend income	19,141		5,438	
Foreign exchange gain	11,966		-	
Commissions and fees	7,950		5,125	
Others	3,567		13,100	
Nonoperating expenses	29,065	0.2	27,441	0.2
Interest expenses	14,968		11,221	
Commissions	13,963		14,152	
Others	132		2,067	
Ordinary profit	1,095,977	7.6	1,019,354	7.4
Extraordinary income	-	-	128,137	0.9
Gain on disposal of fixed assets	-		118,215	
Reversal of allowance for doubtful accounts	-		9,922	
Extraordinary losses	85,618	0.6	276,779	2.0
Loss on removal of fixed assets	10,139		-	
Loss on devaluation of investment securities	70,479		276,779	
Others	5,000		-	
Income before taxes and other adjustments	1,010,358	7.0	870,712	6.3
Corporate, inhabitant and enterprise taxes	468,364		375,642	
Deferred taxes	(20,334)		26,156	
Net income	562,328	3.9	468,913	3.4