Fiscal 2015

Konami Group Report
April 1, 2014 – March 31, 2015
To Our Shareholders

I sincerely hope that this report finds shareholders prospering and in good health.

At the 43rd Ordinary General Meeting of Shareholders, which took place on June 26, shareholders approved a proposal to change the company name to KONAMI HOLDINGS CORPORATION, effective October 1, 2015. This corporate name change will be a catalyst for the corporate group, allowing KONAMI in its capacity as a holding company, to work in greater earnest to raise corporate value to even greater heights.

Looking at the operating environment, business chances continued to appear for the Konami Group in the entertainment market, as the rapid spread of smartphones and tablets spurred a worldwide increase in users while enhanced device functionality and advances in communication infrastructure pushed content diversification forward.

In the health and fitness market, society has become increasingly health conscious overall as more and more people put their leisure time toward improving their health and stamina. This trend is especially noticeable among young women and seniors of both genders, and we can expect greater interest in sports and health-related pursuits as well as measures to prevent the need for nursing care that tends to accompany aging.

Against this backdrop, the Konami Group continued to promote organizational reform in each business segment and directed concerted effort into the formation of a structure that facilitates suitable responses in an ever-changing market environment.

In all of our businesses, we provide people with “valuable time”—meaning, the time spent using a KONAMI-brand product or service is worthwhile—and these products and services are always in demand. We will continue to offer quality infused with a global perspective that parallels the trust and expectations from our customers as we take on the challenges that come our way and ride the cresting wave into a new age.

On behalf of the Konami Group, I ask you, our valued shareholders, to favor us with your sustained support and encouragement.

Takuya Kozuki
President and Representative Director
Notice of Change of the Company’s Trade Name

On October 1, we become KONAMI HOLDINGS CORPORATION.

KONAMI shifted to a pure holding company structure on March 31, 2006, and the Company has pursued business activities in four core segments—Digital Entertainment, Health & Fitness, Gaming & Systems, and Pachislot & Pachinko Machines—through the operating companies under the holding company umbrella.

In March 2016, KONAMI will celebrate 10 years since transitioning to a pure holding company structure, and seeking to utilize this opportunity to ensure that stakeholders, including shareholders, have a clear understanding of the Company’s position, management has opted to change the corporation name from KONAMI CORPORATION to KONAMI HOLDINGS CORPORATION.

We look forward to even greater support from our shareholders.

*The change in corporate name will not require shareholders to do anything.

KONAMI
Topics

Baseball Game “JIKKYOU PAWAFURU PUROYAKYU” Hits Eight Million Smartphone Downloads

The smartphone version of “JIKKYOU PAWAFURU PUROYAKYU,” a popular baseball game series, amassed eight million downloads in the four months from its December 2014 release to the end of March 2015.

The game combines a “success” mode, in which users develop the skills of original characters from the home-console series, with a “stadium” mode, in which users create their own ultimate teams featuring the players they have trained, and then field that team against those of other users around the country to see who can take top spot. This aspect of the game has, literally, hit a home run in the market.

The “JIKKYOU PAWAFURU PUROYAKYU” series has attracted a loyal following among baseball fans as well as game fans, extending this game’s winning streak to 20 years. To mark the anniversary, Masahiro Tanaka, an international baseball star, has been appointed PAWAPURO Supporters’ Ambassador, which has really made this year a milestone in the game’s success.

Grand Reopening of GRANCISE Locations in Otemachi and Aoyama

GRANCISE Otemachi and GRANCISE Aoyama, which provide the ultimate space for fitness training, were completely revamped, from both facility and service perspectives, and recently reopened.

The redesigned layout includes a business lounge with a Wi-Fi environment, expanded private exercise rooms for a more effective workout, and a driving range simulation lounge for golf enthusiasts, creating facilities and programs that enable members who are pressed for time to accomplish their fitness objectives while staying on top of business responsibilities. The luxurious sports club atmosphere of GRANCISE is like no other, exemplified by a pool on an upper floor, which offers a stunning view of the city at night, and a beautifully appointed spa and sauna with hotel-style amenities.

Perks of the GRANCISE membership include personal training sessions twice a month and access to MY Fit Planner, through which staff suggest the perfect training program for members based on an evaluation of physical condition. These services are provided at no extra charge and are fine-tuned to the specific needs of each member.

As a total health partner, KONAMI Sports Club seeks to be the most reliable source of health and fitness support for its members and will continue to provide new services to underpin this capability.
Newly Acquired Gaming License for State of Massachusetts

KONAMI entered the Gaming & Systems business in 1996, and as of March 31, 2015, the Company has acquired 373 licenses worldwide, including North America, which bespeaks an extensive presence in the global gaming business with an emphasis on the sale of gaming machines and casino management systems.

Adherence to local laws and regulations is essential in developing the gaming business. Obtaining the necessary gaming licenses in North America is tough, involving an extremely rigorous inspection process and a particularly high standard in corporate compliance.

Recently, the ban on gaming in Massachusetts was lifted, but the application process and subsequent inspection to acquire a license are much tougher than in any other U.S. state. Nevertheless, KONAMI’s aggressive and honest approach, backed by accumulated know-how in the gaming industry, was very highly evaluated by the Massachusetts Gaming Commission. The Company received the sought-after license and was able to fulfill product delivery to new casino resort operations in Massachusetts.

KONAMI will continue to maintain a rigorous compliance system and meet market demand with product competitiveness cultivated in markets all over the world.

Debuting SENGOKU COLLECTION 2 – A New Pachislot Machine Title

SENGOKU COLLECTION 2, the latest pachislot machine title from KPE, Inc., rolled out to pachinko parlors across Japan on March 2, 2015.

This title—the second derived from the popular original series of mobile games—features a new technology (accelerated assist time [Accel AT]) developed by KPE that boosts payout performance with a net increase of three coins in assist time mode. The new title has drawn solid support from many pachislot fans.

In addition, full-impact sound from new woofer-type speakers along with gimmick characters that move and sing create expanded entertainment value, which has kept the machines in a high rate of operation since they debuted. It is one of the top titles in play, even among pachislot machines introduced in the last few years, and has definitely joined the ranks of popular machines.

KPE will continue to develop new titles based on popular KONAMI games and deliver appealing entertainment content full of fun.
In the Digital Entertainment segment, mobile games of the Konami Group, including JIKKYOU PAWAFURU PUROYAKYU and the World Soccer Collection series, continued to enjoy steady sales. Also, we released a video game title, PROFESSIONAL BASEBALL SPIRITS 2015.

In our Health & Fitness segment, we continued to develop our pricing and membership plans. These plans enable customers to select a pricing plan based on the number of times they use our facilities and to use more than one facility. We intend to promote and spread services supporting the concept of “sustainable fitness.”

In our Gaming & Systems segment, sales of the Podium video slot machine continued to be favorable, mainly in the U.S. and European markets.

In the Pachislot & Pachinko Machines segment, we released 5 new pachislot machines, including MAH-JONG FIGHT CLUB, Dororon Enma-kun Meeramera, and SENGOKU COLLECTION 2, each of which has continued to operate steadily at pachinko parlors. We also released the first pachinko machine developed by the Konami Group, CR PACHINKO MAGICAL HALLOWEEN, which was converted from our popular original series of pachislot machines, MAGICAL HALLOWEEN.

In terms of the consolidated results for the year ended March 31, 2015, net revenues amounted to ¥218,157 million, operating income was ¥14,451 million, income before income taxes and equity in net income of affiliated company was ¥15,947 million, and net income attributable to KONAMI CORPORATION was ¥9,479 million.

For more detailed financial data, please visit the KONAMI website and look under the Financial Information page.
Corporate Social Responsibility (CSR) Activities

KONAMI OPEN
水泳競技大会
2015

On February 21, 2015, the KONAMI OPEN Competitive Swim Meet Executive Committee opened the two-day KONAMI OPEN 2015 Swim Meet at the Tokyo Tatsumi International Swimming Center, a mecca for swimmers, to support promising swimmers keen to represent Japan on the world stage one day.

The KONAMI OPEN competitive swim meet, officially recognized by the Japan Swimming Federation, has been held for 31 years and recently added support from the Ministry of Education, Culture, Sports, Science and Technology and the city of Tokyo.

At KONAMI OPEN 2015, spectators were treated to thrilling races by members of Japan’s national team—headlined by medalists from the London Olympics—along with invited up-and-coming swimmers with national team aspirations and participants from all over Japan who broke tough qualifying times to get to this meet. Daily progress through preliminaries and finals was broadcast live by BS Asahi.

In 2015, a total of 143 records were broken—five new all-Japan records by elementary school students, two all-Japan records by junior high school students, and 136 new KONAMI OPEN records. This was a significant increase over the previous year’s record-breaking results.

The KONAMI OPEN competitive swim meet is a premiere event bringing together athletes of school-age and world-class athletes to compete on the same stage. The Konami Group will support young swimmers with promising futures in the sport through this event, and the sustained commitment will spur further development of the sport in Japan.
Corporate Data (As of March 31, 2015)

Company Name: KONAMI CORPORATION
Headquarters: 9-7-2, Akasaka, Minato-ku, Tokyo 107-8323, Japan
TEL: 81-3-5770-0573
FAX: 81-3-5412-3300

Founded: March 21, 1969
Incorporated: March 19, 1973
Paid-in Capital: ¥47,399 million
Home Page URL: http://www.konami.co.jp/en

Stock Information (As of March 31, 2015)

Common Stock
- Authorized: 450,000,000 shares
- Outstanding: 143,500,000 shares (including 4,890,951 treasury shares)

Number of shareholders: 48,242

The 10 Largest Shareholders

<table>
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<tr>
<th>Shareholder</th>
<th>Shares (Thousands)</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kozuki Foundation</td>
<td>16,600</td>
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<tr>
<td>Kozuki Holding</td>
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<td>The Master Trust Bank of Japan, Ltd. (Trust Account)</td>
<td>14,443</td>
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<td>Japan Trustee Services Bank, Ltd. (Trust Account)</td>
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<td>Kozuki Capital Corporation</td>
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<td>Trust &amp; Custody Services Bank, Ltd. (Securities Investment Trust Account)</td>
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<td>Chase Manhattan Bank GTS Clients Account Escrow</td>
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<td>Konami Shain Mochikabukai</td>
<td>1,430</td>
<td>1.03</td>
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Note: The above shareholding ratios are calculated after the deduction of treasury shares.

Shareholder Information

Fiscal Year-End: March 31
Ordinary General Meeting of Shareholders: June
Record Date for Shareholders:
- Annual shareholders’ meeting: March 31
- Year-end dividend: March 31
- Interim dividend: September 30
- Other (when necessary): As announced in advance

Transfer Agent:
Sumitomo Mitsui Trust Bank, Limited
1-4-1, Marunouchi, Chiyoda-ku, Tokyo, Japan

Location of Transfer Agent:
Handling Office: Sumitomo Mitsui Trust Bank, Limited
Stock Transfer Agency Department
1-4-1, Marunouchi, Chiyoda-ku, Tokyo, Japan

Mailing Address:
Sumitomo Mitsui Trust Bank, Limited
Stock Transfer Agency Department
2-8-4, Izumi, Suginami-ku, Tokyo 168-0063, Japan

Internet URL:
http://www.konami.co.jp/en/ir/

For ADR Holders

Depositary and Transfer Agent for American Depositary Receipts:
JPMorgan Chase Bank, N.A.
4 New York Plaza, Floor 12, New York, NY 10004, U.S.A.

ADR Holder Contact:
JPMorgan Service Center

Telephone Inquiries:
- Toll-free U.S.A. & Canada: 1-800-990-1135
- Outside U.S.A.: 1-651-453-2128
An automated IVR system is available 24 hours / 7 days a week.
Representatives are available 8:00 am to 8:00 pm EST weekdays.

Internet URL:
Visit http://www.adr.com and go to the Shareholder Services page.

Mail for regular correspondence:
JPMorgan Chase Bank, N.A.
P.O. Box 64504, St. Paul, MN 55164-0504, U.S.A.

Guide to Investor Relations Site

Our website includes an investor relations section that provides easy access to our latest financial information, news releases, and other relevant IR information.
URL: http://www.konami.co.jp/en/ir