

**Consolidated Financial Results
for the Three Months Ended June 30, 2015
(Prepared in Accordance with IFRS)**

August 6, 2015

KONAMI CORPORATION

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 Stock code number, TSE: 9766
 Ticker symbol, LSE: KNM
 URL: <http://www.konami.co.jp/en>
 Shares listed: Tokyo Stock Exchange and London Stock Exchange
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(Amounts are rounded to the nearest million, except percentages and per share amounts)

1. Consolidated Financial Results for the Three Months Ended June 30, 2015

(1) Consolidated Results of Operations

	Revenue	Operating profit	Profit before income taxes	Profit for the period	Profit attributable to owners of the parent	Total comprehensive income for the period
Three months ended June 30, 2015	51,202	6,484	6,862	4,288	4,282	4,909
% change from previous year	5.3%	86.7%	135.1%	157.0%	159.9%	304.0%
Three months ended June 30, 2014	48,606	3,472	2,918	1,668	1,647	1,214
% change from previous year	-	-	-	-	-	-

	Basic earnings per share (attributable to owners of the parent) (yen)	Diluted earnings per share (attributable to owners of the parent) (yen)
Three months ended June 30, 2015	30.89	-
Three months ended June 30, 2014	11.88	-

(2) Consolidated Financial Position

(Millions of Yen, except percentages and per share amounts)

	Total assets	Total equity	Total equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
June 30, 2015	312,568	221,673	220,957	70.7%
March 31, 2015	311,592	218,499	217,789	69.9%

2. Cash Dividends

Record Date	Cash dividends per share (yen)				
	First quarter end	Second quarter end	Third quarter end	Year end	Annual
Year ended March 31, 2015	-	8.50	-	12.50	21.00
Year ending March 31, 2016	-				
Year ending March 31, 2016 -Forecast-		10.50	-	10.50	21.00

Note: Recently announced change in dividend forecasts for the fiscal year ending March 31, 2016 during the three months ended June 30, 2015: None

3. Consolidated Earnings Forecast for the Year Ending March 31, 2016

(Millions of Yen, except percentages and per share data)

	Revenue	Operating profit	Profit before income tax	Profit attributable to owners of the parent	Basic earnings per share (attributable to owners of the parent) (yen)
Year ending March 31, 2016	228,000	17,000	16,000	9,500	68.54
% change from previous year	4.5%	11.1%	(5.7)%	(4.2)%	

Note: Recently announced change in earnings forecasts for the fiscal year ending March 31, 2016 during the three months ended June 30, 2015: None

Noted Items

(1) Changes in significant consolidated subsidiaries during the period (status changes of subsidiaries due to changes in the scope of consolidation): None

(2) Changes in accounting policies and accounting estimate

1. Changes in accounting policies required by IFRS: No
2. Other changes: No
3. Changes in accounting estimate: No

(3) Number of shares issued (Share capital)

1. Number of shares issued: (Treasury shares included)
 - As of June 30, 2015 143,500,000 shares
 - As of March 31, 2015 143,500,000 shares
2. Number of treasury shares:
 - As of June 30, 2015 4,891,944 shares
 - As of March 31, 2015 4,890,951 shares
3. Average number of shares outstanding:
 - Three months ended June 30, 2015 138,608,645 shares
 - Three months ended June 30, 2014 138,612,200 shares

Information regarding the audit review procedure:

This report is outside the scope of the procedures for review of quarterly consolidated financial statements as required under the Financial Instruments and Exchange Act of Japan. The aforementioned procedures have not been completed for the quarterly financial statements included in this document as of the time of disclosure of this document.

Cautionary statement with respect to forward-looking statements and other matters:

Statements made in this document with respect to our current plans, estimates, strategies and beliefs, including the above forecasts, are forward-looking statements about our future performance. 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: (i) changes in economic conditions affecting our operations; (ii) fluctuations in currency exchange rates, particularly with respect to the value of the Japanese yen, the U.S. dollar and the Euro; (iii) our 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; (iv) the timing of the release of new game titles and products, especially game titles and products that are part of historically popular series; (v) our ability to successfully expand internationally with a focus on our Digital Entertainment business and Gaming & Systems business; (vi) our ability to successfully expand the scope of our business and broaden our customer base through our Health & Fitness business; (vii) regulatory developments and changes and our ability to respond and adapt to those changes; (viii) our expectations with regard to further acquisitions and the integration of any companies we may acquire; and (ix) the outcome of existing contingencies.

Please refer to pages 10, 11, 12 and 13 for further information regarding our business forecasts.

The Company disclosed the supplemental data for the consolidated financial statements via the Company's website on August 6, 2015.

1. Business Performance

(1) Analysis of Business Performance

(i) Business Overview

The business environment surrounding the Konami Group showed signs of slow recovery, including improvement in a segment of corporate earnings and employment situation in Japan, supported by the economic and financial policies of the government and the additional monetary easing policies implemented by the Bank of Japan. In terms of the global economy, the economic environment for growth remained uncertain, such as Greek debt crisis. While the U.S. economy continued to recover, the growth rate in emerging markets, including China, has slowed down.

In the entertainment market, along with improving performance in mobile devices due to the rapid spread of smartphones and tablet PCs and the development of information and telecommunications infrastructure, game contents continues to diversify. As new video game consoles continue to be released at a record-setting pace in Western countries, business opportunities in the game industry are increasing. In the gaming industry, the development of resources related to tourism continues to help spread the casino market worldwide. In Japan, gaming business is expected to continue to grow, including the anticipated submittal to the Diet of a draft bill for Integrated Resort (IR) Promotion.

In connection with the health and fitness industry, there is a growing health consciousness throughout society, especially among senior citizens and women, who year after year have shown an increasing tendency to focus their leisure activities on improving health and physical strength. We continue to see growing health-consciousness, a preference for sports and an interest in preventing the need for nursing care in old age.

Against this background, in the Digital Entertainment segment of the Konami Group, mobile games, including *JIKKYOU PAWAFURU PUROYAKYU* and the *World Soccer Collection* series, continued to enjoy steady sales.

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 and the *SYNKROS* casino management system continued to be favorable, mainly in the U.S. and Australian markets.

In the Pachislot and Pachinko Machines segment, we released a new pachislot machine, *GUN SWORD*, which is derived from the popular animation series, as well

as we had resale orders for *SENGOKU COLLECTION 2*, against a backdrop of the higher rate of operation, which continued to perform steadily in the market.

In terms of the consolidated results for the fiscal year ended June 30, 2015, total revenue amounted to ¥51,202 million (a year-on-year increase of 5.3%), operating profit was ¥6,484 million (a year-on-year increase of 86.7%), profit before income taxes was ¥6,862 million (a year-on-year increase of 135.1%), and profit attributable to owners of the parent was ¥4,282 million (a year-on-year increase of 159.9%).

(ii) Performance by Business Segment

Summary of total revenue by business segment:

	Millions of Yen, except percentages		
	Three months ended June 30, 2014	Three months ended June 30, 2015	% change
Total revenue:			
Digital Entertainment	¥20,420	¥23,829	16.7
Health & Fitness	18,042	17,584	(2.5)
Gaming & Systems	6,817	6,829	0.2
Pachislot & Pachinko Machines	3,474	3,061	(11.9)
Intersgment eliminations	(147)	(101)	(31.8)
Total revenue	¥48,606	¥51,202	5.3

Digital Entertainment

As for mobile games, *JIKKYOU PAWAFURU PUROYAKYU* has surpassed 13 million downloads in the seven months since its distribution started in December, 2014. This performance was the result of integration of the game system developed through a series of home video game devices, with expertise in the operation of mobile games. This has driven a steady and continuous increase of revenue. As for new titles, *PES CLUB MANAGER* (known in Japan as *Winning Eleven CLUB MANAGER*) was launched worldwide. The new title is a club management game. The game engine has been optimized for use in a mobile game based on that of *WORLD SOCCER Winning Eleven 2015* (known in the U.S. and Europe as *Pro Evolution Soccer 2015*). In addition, *WORLD SOCCER COLLECTION* series, the *CROWS×WORST* series and the *Professional Baseball Dream Nine* series continued to enjoy steady sales. In overseas markets, *Star Wars™: Force Collection*, based on the Star Wars™ film series, and *PES COLLECTION* (known in China as *Shikuangjulebu*) earned stable income.

As for computer and video games, we saw strong revenue from the online payment system on the *myClub* game mode of *WORLD SOCCER Winning Eleven 2015* (known in the U.S. and Europe as *Pro Evolution Soccer 2015*) which is the latest title in the *WORLD SOCCER Winning Eleven* series, as well as the repeat sales of *PROFESSIONAL BASEBALL SPIRITS 2015*, which was released in March 2015.

In regards to arcade games, our e-AMUSEMENT Participation system titles, centered on *MAH-JONG FIGHT CLUB* and music genre games, continued to operate steadily. Meanwhile, *Disney TSUM TSUM*, a smartphone application converted into an arcade game, received favorable reviews. The kids' card game machine, *Monster Retsuden ORECA BATTLE*, continued to be extremely popular, especially among elementary school age boys.

The *Yu-Gi-Oh! TRADING CARD GAME* series continued to perform strongly in the global market.

In terms of financial performance, total revenue for the three months ended June 30, 2015 in this segment amounted to ¥23,829 million (a year-on-year increase of 16.7%) and segment profit for the three months ended June 30, 2015 amounted to ¥6,449 million (a year-on-year increase of 78.5%).

Health & Fitness

With respect to the management of facilities that we operate directly, we developed a free exercise plan in which customers can use certain facilities (nearby facilities plus some further away) any number of times. We also revised pricing plans so that customers can select the pricing plan based on frequency of use. We also developed the corporate health and fitness services to respond to customer demands, such as the addition of a free exercise plan without limitation on frequency of use and discounted ticket books to be sold year-round. We also renewed the programs in the facilities, including *V-BODY*, a body conditioning program, and *BIOMETRICS*, a dieting program. The personal training programs, which combine training, diet and supplements, are receiving favorable reviews from a wide range of customers, both men and women. At the *OyZ* exercise school program which mainly targets individuals ages 60 and older, we added the new program, "brain activation course," aimed at preventing senile dementia, to the existing national program "strengthening legs and hip course."

As for healthcare related products, we released *LOCOPIN*, an amino acid beverage produced in response to *OyZ* customer feedback. Sales were stable from outside facility services due to the home fitness bike *S-BODY*, released in 2014. We also launched *Kaimin Seikatsu* (sound sleep life), the 3rd application in the series of *healthcare applications* for smartphones. These developments were part of our efforts to support exercise and health promotion in a variety of settings.

For the three months ended June 30, 2015, sales from this business decreased mainly due to the closing of large-scale facilities and a reduction in the number of facilities with management outsourced to Konami Group in the previous fiscal year. On the other hand, expenses were reduced due to improved operational efficiency.

In terms of financial performance, total revenue for the three months ended June 30, 2015 in this segment amounted to ¥17,584 million (a year-on-year decrease of 2.5%) and segment profit for the three months ended June 30, 2015 amounted to 453 million (a year-on-year increase of 124.9%).

Gaming & Systems

The North American market environment was in severe conditions due to affected by the entry of European manufacturers and the resulting intensified competition, the closing of casino facilities in Atlantic City, New Jersey, and increasingly prudent investments by casino operators when purchasing machines. On the other hand, we have expanded the category of the *Podium* series video slot machine and accelerated the development of products which precisely meet each market's demands, including a wider offering in the Central and South American market. We also expanded our lineup of premium products, which raised higher expectations from players, by introducing products such as *Podium Goliath*, a larger size version of *Podium*, a product that is subject to a participation agreement (in which profits are shared with casino operators). These products contributed stable revenues. The *SYNKROS* casino management system was sequentially introduced into multiple states in North America, and enjoyed strong sales.

In the Oceania market, we continued to roll out a richly diverse product lineup, including *Podium Stack* of the *Podium* series. Full-scale marketing is also in progress in Asia and Africa, where we are working on building distribution networks. In the fastest-growing market of the Philippines, product sales were strong.

In addition, we exhibited our products at the largest gaming industry trade expo in Asia, Global Gaming Expo Asia, held in Macau. The titles we exhibited included *Podium* series and *Rapid Revolver*, with featuring with vertically-mounted mechanical drums on the top box. These rich products and new lineup received high acclaim from operators.

Profit of this segment for the three months ended June 30, 2015, however, decreased mainly due to advance investments in the North American market, including increases in product approval fees and personnel expenses for product development and maintenance resulting from expansion of the product lineup and enhancement of the services.

In terms of financial performance, total revenue for the three months ended June 30, 2015 in this segment amounted to ¥6,829 million (a year-on-year increase of 0.2%) and segment profit for the three months ended June 30, 2015 amounted to ¥636 million (a year-on-year decrease of 50.2%).

Pachislot & Pachinko Machines

As for pachislot machines, we released *GUN SWORD*, which was derived from the popular animation series. This is the first model adapted to new regulations after the test-methods changed, and is loaded onto the original cabinet *Original 7*, which features flexible rendering. In addition, we had resale orders for *SENGOKU COLLECTION 2*, which was released in the previous fiscal year, by virtue of continuing to operate steadily at pachinko parlors.

In terms of financial performance, total revenue for the three months ended June 30, 2015 in this segment amounted to ¥3,061 million (a year-on-year decrease of 11.9%) and segment profit for the three months ended June 30, 2015 amounted to 238 million (for the three months ended June 30, 2014, segment loss amounted to 560 million).

(2) Consolidated Financial Position

(i) Total Assets, Total Liabilities and Total equity

Total Assets:

Total assets amounted to ¥312,568 million as of June 30, 2015, increasing by ¥976 million compared with March 31, 2015. This increase mainly resulted from increases in cash and cash equivalents and intangible assets despite a decrease in and trade and other receivables.

Total Liabilities:

Total liabilities amounted to ¥90,895 million as of June 30, 2015, decreasing by ¥2,198 million compared with March 31, 2015. This decrease primarily resulted from decreases in trade and other payables and other financial liabilities despite an increase in income tax payables.

Total Equity:

Total equity amounted to ¥221,673 million as of June 30, 2015, increasing by ¥3,174 million compared with March 31, 2015. This mainly resulted from the recognition of profit for the period. Total equity attributable to owners of the parent was 70.7%, increasing by 0.8 points compared with March 31, 2015.

(ii) Cash Flows

	Millions of Yen		
	Three months ended June 30, 2014	Three months ended June 30, 2015	Change
Cash flow summary:			
Net cash provided by operating activities	¥13,754	¥13,422	¥(332)
Net cash used in investing activities	(7,935)	(4,897)	3,038
Net cash used in financing activities	(7,247)	(2,257)	4,990
Effect of exchange rate changes on cash and cash equivalents	(118)	130	248
Net increase (decrease) in cash and cash equivalents	(1,546)	6,398	7,944
Cash and cash equivalents at end of the period	¥48,478	¥71,052	¥22,574

Cash and cash equivalents (hereafter, referred to as “Net cash”), as of June 30, 2015, amounted to ¥71,052 million, an increase of ¥6,398 million compared to the year ended March 31, 2015, and a year-on-year increase of 46.6%.

Cash flow summary for each activity for the three months ended June 30, 2015 is as follows:

Cash flows from operating activities:

Net cash provided by operating activities amounted to ¥13,422 million for the three months ended June 30, 2015, a year-on-year decrease of 2.4%. This primarily resulted from a decrease in deferred revenue and an increase in the payment amount of income tax, which offset a decrease in trade and other receivables.

Cash flows from investing activities:

Net cash used in investing activities amounted to ¥4,897 million for the three months ended June 30, 2015, a year-on-year decrease of 38.3%. This mainly resulted from a decrease in capital expenditures for property, plant and equipment.

Cash flows from financing activities:

Net cash used in financing activities amounted to ¥2,257 million for the three months ended June 30, 2015, a year-on-year decrease of 68.9%. This primarily resulted from a decrease in dividends paid and there has been no repayment of short-term borrowings which had been during the three months ended June 30, 2014.

(3) Outlook for the Fiscal Year Ending March 31, 2016

Digital Entertainment

With the spread of smartphones and tablet PCs worldwide, the available means of providing games continue to diversify, and opportunities to reach an even greater audience for games are increasing. Against this background, we intend to develop ways of playing games that match the characteristics of each device.

As for mobile games, the total number of registered users of all contents we developed continues to increase steadily. *JIKKYOU PAWAFURU PUROYAKYU* was downloaded 14 million times up to July 2015 and *PES CLUB MANAGER* (known in Japan as *Winning Eleven CLUB MANAGER*) launched worldwide in June 2015. These games are expected to continue to contribute toward our profits. We are further focusing our managerial resources on the development of content that we believe will become major hits in order to produce more hit content, especially in the native application market. Looking ahead, we will continue to expand our lineup, utilizing previously established production and operational expertise and rich content resources. We also intend to develop more content for new platforms overseas, not only for the U.S. and European markets but also for Asian markets. We also plan to enhance new releases with attractive content by creating synergies with our established content.

As for computer and video games, we are working toward inclusion of a sustained operation game mode that utilizes the operational expertise of mobile games, while also continuing global introduction of titles that have been carefully chosen according to selection and concentration. Further, the new game mode *myClub*, which has been newly adopted for *WORLD SOCCER Winning Eleven 2015* (known in the U.S. and Europe as *Pro Evolution Soccer 2015*), is expected to provide a sustained contribution to our profits from online payments. As for the latest titles of Konami Group's leading products, the upcoming September 2015 release of *METAL GEAR SOLID V: THE PHANTOM PAIN*, which is the latest title in the *METAL GEAR* series, and *Winning Eleven 2016* (known in the U.S. and Europe as *PES 2016 - Pro Evolution Soccer -*) have generated great expectations, such as these were honored with a variety of awards by multiple major games media outlets, including several "Best of E3" awards at the largest game conference in the world, E3 2015, held in North America.

As for arcade games, Konami Group intends to work to revitalize the amusement arcade industry by providing new entertainment that can be enjoyed only at an amusement facility through "interpersonal communication" using the e-AMUSEMENT system. We intend to propose innovative services that will lead the industry. This will involve promoting the continual development of equipment compatible with the PASELI e-money service and e-AMUSEMENT Participation, as well as enhancements to and the expansion of various services.

As for card games, we will continue the global development of the *Yu-Gi-Oh! TRADING CARD GAME* series. Its popularity is rising exceptionally in anticipation of the world tournament to be held in Kyoto, Japan, in August 2015.

Health & Fitness

In our Health and Fitness business, we will continue striving to accurately grasp the needs of our increasingly diverse customer base and to increase the value of Konami Sports Clubs by offering a new lifestyle.

We entered the second year since introducing the revised pricing plan based on usage frequency, and we are pleased to inform that many customers think the pricing plan meets the theme of “sustainable fitness.” The plan has received favorable reviews especially from beginner customers who have never been to sports clubs before, and there is a rise in new member registrations. In addition, we will open a golf course targeting beginners at Nasu Kogen, Tochigi prefecture, in August 2015. Through the innovative concept of offering a full-scale golf course to beginners, we will continue to make efforts to convey the pleasures of playing golf and to promote exercise habits to various ages.

As Japan’s population continues to age, the government continues to take measures to combat lifestyle diseases and also develop new plans for boosting sports clubs and other aspects of the healthy prolonged life industry as part of the governmental growth strategy. As part of an integrated approach from national and private organizations, we intend to continue to promote fitness club operation and health and fitness equipment development and marketing. The aim of these efforts is to enhance customer satisfaction for a variety of users with diverse lifestyles and age ranges as the leading company in the health and fitness industry.

Gaming & Systems

In regard to slot machine sales, we will strengthen sales and product expansion, focusing on the *Podium* series video slot machines, *Podium Monument*, *Podium Stack* and *Rapid Revolver*, all which have received positive reviews. We also intend to stabilize our operational results by increasing periodical income through the expansion of participation agreements to enhance sales and address the needs of casino operators by expanding our product lineup. In the Asian, Central and South American and European markets, we plan to continue to develop sales by adapting to local needs.

We introduced the *SYNKROS* casino management system and its many functions at various trade shows and business conferences, including demonstrations of *SYNKiosk*, a newly equipped casino management tool. They received positive reviews from major operators. Looking ahead, we intend to actively pursue sales

and make efforts to enhance product strength while developing new product features.

Pachislot & Pachinko Machines

As for pachislot machines in our Pachislot & Pachinko Machines business, we intend to release *SKYGIRLS—Zero, Again*, a second, improved version of our popular original content *SKYGIRLS* with enhanced game properties. To achieve a higher rate of operation, we intend to focus on production and sales activities of our pachislot machines by incorporating anticipated user demands into product development and leveraging Konami Group's original contents.

In addition, we plan to launch a new pachinko machine following the release of *CR PACHINKO MAGICAL HALLOWEEN*, the first pachinko machine developed by our group. We intend to continue to offer products with a higher rate of operation and to stabilize profitability in the business to boost our market presence by working integrally with production, manufacture and sales in addition to making efforts to reinforce development.

Projected consolidated results for the fiscal year ending March 31, 2016 are as follows: revenue of ¥228,000 million; operating profit of ¥17,000 million; profit before income tax of ¥16,000 million; and profit attributable to owners of the parent of ¥9,500 million. Thus, there is no change from the forecast figures released in the "Consolidated Financial Results for the Year Ended March 31, 2015" dated May 8, 2015.

KONAMI, as a business affected by "hit" products, requires flexibility in how its products are released and is subject to fluctuations in sales throughout the course of the fiscal year. For this reason, projected consolidated results for the half year are not disclosed.

We will continue to elaborate on the disclosure for the quarterly financial results.

Special Note:

This document contains "forward-looking statements," or statements related to future events that are based on management's assumptions and beliefs in light of information currently available. These statements are subject to various risks and uncertainties.

When relying on forward-looking statements to make investments, you should not place undue reliance on such forward-looking statements. Actual results may be affected by a number of important factors and may be materially different from those discussed in forward-looking statements. Such factors include, but are not limited to, changes in economic conditions affecting our operations, market trends and fluctuations in currency exchange rates, particularly with respect to the value of the Japanese yen, the U.S. dollar and the Euro.

2. Other

(1) Changes in significant consolidated subsidiaries during the period (status changes of subsidiaries due to changes in the scope of consolidation):

None

(2) Changes in accounting principles, procedures and reporting policies:

None

3. Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statement of Financial Position

	Millions of Yen	
	As of March 31, 2015	As of June 30, 2015
Assets		
Current assets		
Cash and cash equivalents	¥64,654	¥71,052
Trade and other receivables	30,869	21,658
Inventories	12,844	12,375
Income tax receivables	2,055	1,764
Other current assets	5,951	7,293
Total current assets	116,373	114,142
Non-current assets		
Property, plant and equipment, net	79,261	79,844
Goodwill and intangible assets	61,037	62,492
Investments accounted for using the equity method	2,370	2,341
Other investments	1,323	1,281
Other financial assets	24,257	24,445
Deferred tax assets	23,019	24,058
Other non-current assets	3,952	3,965
Total non-current assets	195,219	198,426
Total assets	311,592	312,568
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	6,009	6,123
Other financial liabilities	4,355	4,241
Trade and other payables	27,717	25,392
Income tax payables	1,248	2,792
Other current liabilities	12,270	11,547
Total current liabilities	51,599	50,095
Non-current liabilities		
Bonds and borrowings	14,943	14,947
Other financial liabilities	18,448	17,962
Deferred tax liabilities	708	741
Other non-current liabilities	7,395	7,150
Total non-current liabilities	41,494	40,800
Total liabilities	93,093	90,895
Equity		
Share capital	47,399	47,399
Share premium	74,175	74,175
Treasury shares	(11,271)	(11,273)
Other components of equity	5,012	5,633
Retained earnings	102,474	105,023
Total equity attributable to owners of the parent	217,789	220,957
Non-controlling interests	710	716
Total equity	218,499	221,673
Total liabilities and equity	¥311,592	¥312,568

(2) Condensed Consolidated Statements of Profit or Loss and Comprehensive Income

Condensed Consolidated Statements of Profit or Loss

	Millions of Yen	
	Three months ended June 30, 2014	Three months ended June 30, 2015
Revenue		
Product sales revenue	¥18,694	¥19,512
Service and other revenue	29,912	31,690
Total revenue	48,606	51,202
Cost of revenue		
Cost of product sales revenue	(10,464)	(11,020)
Cost of service and other revenue	(22,554)	(22,190)
Total cost of revenue	(33,018)	(33,210)
Gross profit	15,588	17,992
Selling, general and administrative expenses	(11,897)	(11,164)
Other income and other expenses, net	(219)	(344)
Operating profit	3,472	6,484
Finance income	102	617
Finance costs	(669)	(243)
Profit from investments accounted for using the equity method	13	4
Profit before income taxes	2,918	6,862
Income taxes	(1,250)	(2,574)
Profit for the period	1,668	4,288
Profit attributable to:		
Owners of the parent	1,647	4,282
Non-controlling interests	¥21	¥6

	Yen	
	Three months ended June 30, 2014	Three months ended June 30, 2015
Earnings per share (attributable to owners of the parent)		
Basic	¥11.88	¥30.89
Diluted	-	-

Condensed Consolidated Statement of Comprehensive Income

	Millions of Yen	
	Three months ended June 30, 2014	Three months ended June 30, 2015
Profit for the period	¥1,668	¥4,288
Other comprehensive income		
Items that may be reclassified to profit or loss:		
Exchange differences on foreign operations	(442)	653
Net change in fair values of available-for-sale financial assets	(12)	(32)
Total items that may be reclassified to profit or loss	(454)	621
Total other comprehensive income	(454)	621
<i>Total comprehensive income for the period</i>	1,214	4,909
Comprehensive income attributable to:		
Owners of the parent	1,193	4,903
Non-controlling interests	¥21	¥6

(3) Condensed Consolidated Statement of Changes in Equity

Millions of Yen

	Equity attributable to owners of the parent						Non-controlling interest	Total equity
	Share capital	Share premium	Treasury shares	Other components of equity	Retained earnings	Total		
Balance at April 1, 2014	¥47,399	¥74,175	¥(11,264)	¥1,779	¥96,091	¥208,180	¥659	¥208,839
Profit for the period					1,647	1,647	21	1,668
Other comprehensive income				(454)		(454)		(454)
Total comprehensive income for the period	-	-	-	(454)	1,647	1,193	21	1,214
Purchase of treasury shares			(0)			(0)		(0)
Disposal of treasury shares		0	0			0		0
Dividends					(2,356)	(2,356)		(2,356)
Total transactions with the owners	-	0	0	-	(2,356)	(2,356)	-	(2,356)
Balance at June 30, 2014	¥47,399	¥74,175	¥(11,264)	¥1,325	¥95,382	¥207,017	¥680	¥207,697

Millions of Yen

	Equity attributable to owners of the parent						Non-controlling interest	Total equity
	Share capital	Share premium	Treasury shares	Other components of equity	Retained earnings	Total		
Balance at April 1, 2015	¥47,399	¥74,175	¥(11,271)	¥5,012	¥102,474	¥217,789	¥710	¥218,499
Profit for the period					4,282	4,282	6	4,288
Other comprehensive income				621		621		621
Total comprehensive income for the period	-	-	-	621	4,282	4,903	6	4,909
Purchase of treasury shares			(2)			(2)		(2)
Disposal of treasury shares						-		-
Dividends					(1,733)	(1,733)		(1,733)
Total transactions with the owners	-	-	(2)	-	(1,733)	(1,735)	-	(1,735)
Balance at June 30, 2015	¥47,399	¥74,175	¥(11,273)	¥5,633	¥105,023	¥220,957	¥716	¥221,673

(4) Condensed Consolidated Statement of Cash Flows

	Millions of Yen	
	Three months ended June 30, 2014	Three months ended June 30, 2015
<i>Operating activities</i>		
Profit for the period	¥1,668	¥4,288
Depreciation and amortization	4,825	3,307
Impairment losses	195	83
Interest and dividends income	(98)	(80)
Interest expense	283	244
Loss on sale or disposal of property, plant and equipment	24	18
Profit from investments accounted for using the equity method	(13)	(4)
Income taxes	1,250	2,574
Decrease in trade and other receivables	7,134	9,572
Decrease (increase) in inventories	(1,375)	652
Decrease in trade and other payables	(1,047)	(3,226)
Increase in prepaid expense	(19)	(942)
Increase (decrease) in deferred revenue	614	(1,661)
Other, net	911	472
Interest and dividends received	126	88
Interest paid	(261)	(239)
Income taxes paid	(463)	(1,724)
<i>Net cash provided by operating activities</i>	13,754	13,422
<i>Investing activities</i>		
Capital expenditures	(7,683)	(4,951)
Decrease in lease deposits, net	138	61
Increase in term deposits, net	(391)	(5)
Other, net	1	(2)
<i>Net cash used in investing activities</i>	(7,935)	(4,897)
<i>Financing activities</i>		
Decrease in short-term borrowings, net	(4,400)	-
Principal payments under capital lease and financing obligations	(531)	(544)
Dividends paid	(2,316)	(1,711)
Other, net	(0)	(2)
<i>Net cash used in financing activities</i>	(7,247)	(2,257)
Effect of exchange rate changes on cash and cash equivalents	(118)	130
Net increase (decrease) in cash and cash equivalents	(1,546)	6,398
Cash and cash equivalents at the beginning of the period	50,024	64,654
<i>Cash and cash equivalents at the end of the period</i>	¥48,478	¥71,052

(5) Going concern assumption

None

(6) Significant changes in the equity attributable to owners of the parent

None

(7) Segment Information

(i) Operating segment information

	Millions of Yen	
	Three months ended June 30, 2014	Three months ended June 30, 2015
Revenue:		
Digital Entertainment –		
External customers	¥20,363	¥23,814
Intersegment	57	15
Total	¥20,420	¥23,829
Health & Fitness –		
External customers	¥17,953	¥17,498
Intersegment	89	86
Total	¥18,042	¥17,584
Gaming & Systems –		
External customers	¥6,817	¥6,829
Intersegment	-	-
Total	¥6,817	¥6,829
Pachislot & Pachinko Machines –		
External customers	¥3,473	¥3,061
Intersegment	1	0
Total	¥3,474	¥3,061
Intersegment eliminations and Eliminations	(147)	(101)
Consolidated	¥48,606	¥51,202

Millions of Yen

	Three months ended June 30, 2014	Three months ended June 30, 2015
Segment profit (loss):		
Digital Entertainment	¥3,613	¥6,449
Health & Fitness	201	453
Gaming & Systems	1,276	636
Pachislot & Pachinko Machines	(560)	238
Total segment profit and loss, net	4,530	7,776
Corporate expenses and eliminations	(839)	(948)
Other income and other expenses, net	(219)	(344)
Finance income and finance costs, net	(567)	374
Profit from investments accounted for using the equity method	13	4
Profit before income taxes	¥2,918	¥6,862

(Notes)

1. Konami Group operates on a worldwide basis principally with the following four business segments:

a) Digital Entertainment:	Production, manufacture and sale of digital content and related products including mobile games, computer and video games, arcade games and card games.
b) Health & Fitness:	Operation of health and fitness clubs, and production, manufacture and sale of health and fitness related goods.
c) Gaming & Systems:	Development, manufacture, sale and service of gaming machines and casino management systems for overseas markets.
d) Pachislot & Pachinko Machines:	Production, manufacture and sale of pachislot machines and pachinko machines.

2. Segment profit (loss) is determined by deducting "cost of revenue" and "selling, general and administrative expenses" from "revenue," which does not include corporate expenses, finance income and finance costs, and certain non-regular expenses associated with each segment such as impairment losses on property, plant and equipment, goodwill and intangible assets.
3. Corporate expenses primarily consist of administrative expenses not directly associated with specific segments.
4. Intersegment eliminations primarily consist of eliminations of intercompany sales.

5. Other income and other expenses, net include impairment losses on property, plant and equipment and goodwill and intangible assets and profit or loss of sales and disposal on property, plant and equipment.

(ii) Geographic Information

Revenue from external customers

	Millions of Yen	
	Three months ended June 30, 2014	Three months ended June 30, 2015
Revenues:		
Japan	¥37,871	¥38,665
United States	7,739	8,104
Europe	1,318	2,437
Asia/Oceania	1,678	1,996
Consolidated	¥48,606	¥51,202

(Note)

For the purpose of presenting operations in the geographic areas above, Konami Group attributes revenues from external customers to individual countries in each area based on where Konami Group sold products or rendered services, and attributes assets based on where assets are located.