

Q3 FY2009 Operating Results



DeNA Co., Ltd.

Q3 FY2009 Highlights

1. Record levels of net sales and operating income

- Net sales of ¥11,655 million (+24% YoY)
 - Operating income of ¥5,224 million (up +32% YoY)
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2. Moba-ge-town

- Games:
 - Social games created in-house were major hits, leading to a surge in page views and a solid rise in revenues from item billing
 - Expanded availability of in-house social games to mixi Mobile
 - Created an open platform to enrich the user experience with a greater variety of increasingly popular social games
 - Avatars:
 - Launched measures to increase demand for 3D (motion) avatars
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3. E-commerce services

- Growth in gross merchandise sales leveled off, owing to lower unit prices
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4. Other

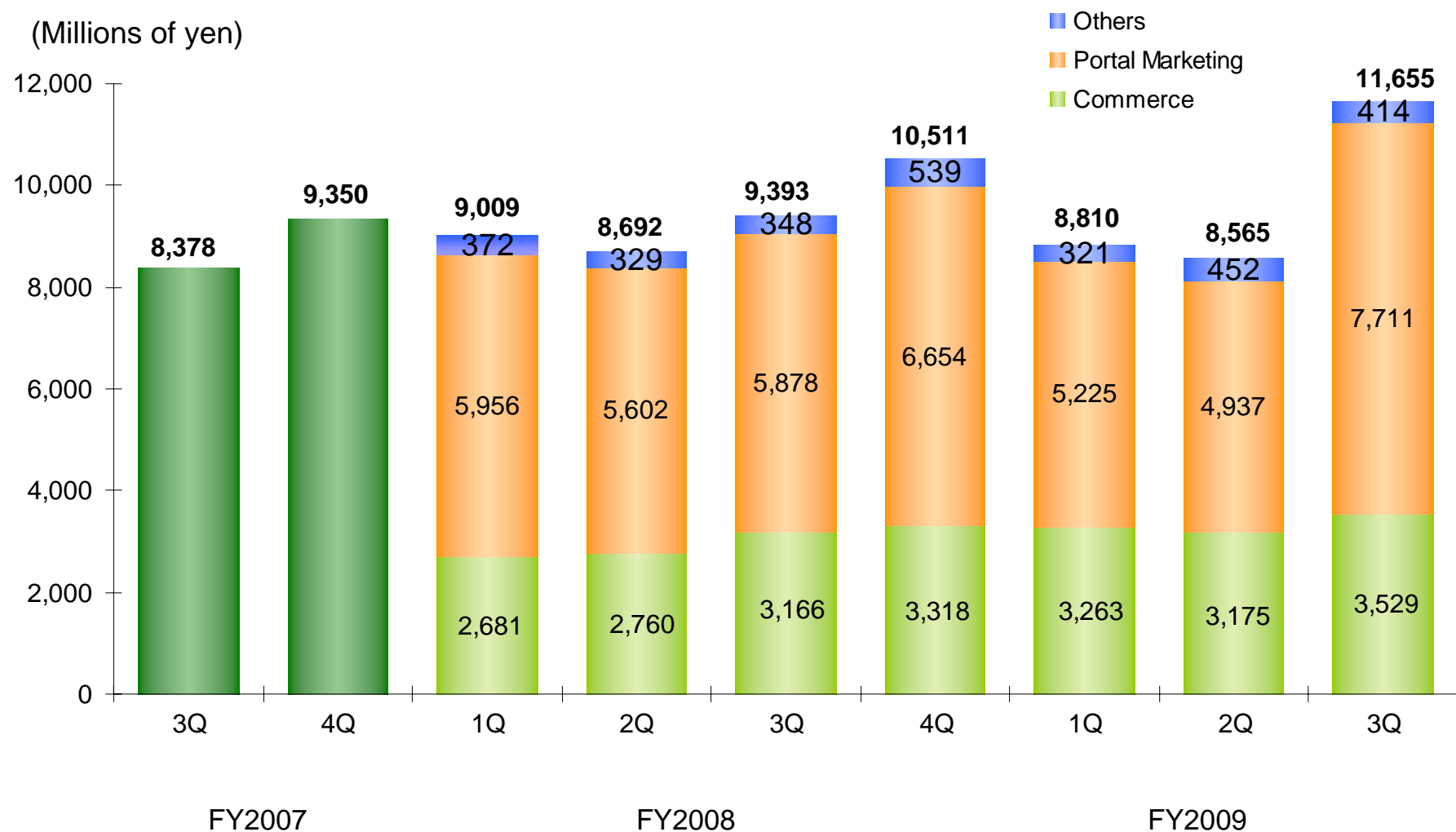
- Reached agreement with NTT docomo to form a joint venture to provide mobile user-generated content (UGC) services
- Through operational tie-up with World Co., Ltd., preparing to open *Buyers Club*, a B2B marketplace specializing in apparel

Overview of Operations for Q3 FY2009

(Millions of yen)

	Q3 FY2009	Q3 FY2008	Change	Q2 FY2009	Change	Contributing Factors
Net sales	11,655	9,393	+24%	8,565	+36%	Item billing revenues from social games created in-house
Operating income	5,224	3,962	+32%	3,083	+69%	Rise in sales of highly profitable social games created in-house
Ordinary income	5,276	4,027	+31%	3,123	+69%	
Net income	2,985	2,220	+34%	1,717	+74%	

Net Sales by Segment



Notes: 1. Segment sales numbers are net sales (sales after consolidation and eliminations).

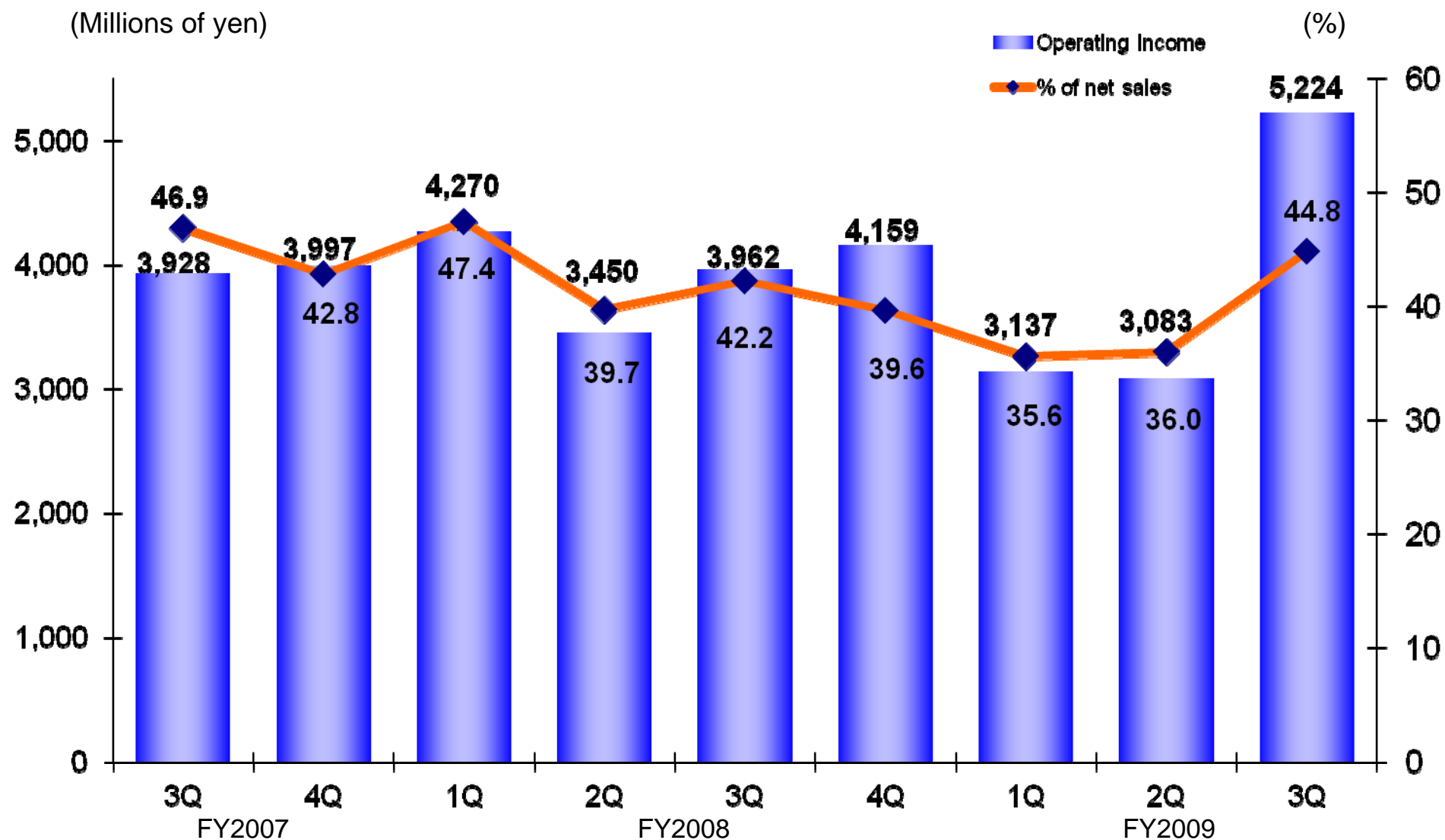
2. Segments were revised to those adopted as of FY2009 (Amounts have been retroactively adjusted to 1Q FY2008).

Breakdown of Expenses

(Millions of yen)

	Q3 FY2009	Q3 FY2008	Change	Q2 FY2009	Change	Contributing Factors
Cost of sales	2,605	2,256	+15%	2,410	+8%	
Labor costs	98	73	+33%	102	-4%	
Depreciation and amortization	336	294	+14%	319	+5%	
Advertising media costs	634	813	-22%	683	-7%	Decrease in Pocket Affiliate external media sales
Cost of goods sold	430	376	+15%	309	+39%	Increase in purchases of Mobakore products
Business consignment expenses	394	219	+79%	359	+10%	Increase in cost of creating items for social games developed in-house
Commission fees	464	262	+77%	453	+2%	Higher share of "Deluxe Game" revenues
Others	246	216	+14%	182	+35%	
Selling, general and administrative expenses	3,825	3,174	+21%	3,071	+25%	
Employee salaries	1,348	1,157	+17%	1,276	+6%	Personnel expansion (628 employees, as of December 31)
Sales promotion and advertising expenses	1,096	910	+20%	764	+43%	TV commercials during December
Other	1,380	1,106	+25%	1,030	+34%	

Operating Income



Cash Flows

(Millions of yen)

	Q3 FY2009	Q3 FY2008	Change	Q2 FY2009	Change	Contributing Factors
Cash flows from operating activities	795	1,164	-369	3,333	-2,537	Payment in Q3 of interim income taxes, increase in accounts receivable
Cash flows from investing activities	(449)	(1,064)	+614	(1,306)	+857	Payments for acquisition of securities in Q3 FY2008
Cash flows from financing activities	(0)	(3,000)	+2,999	(62)	+61	¥3.0 billion acquisition of own shares in Q3 FY2008
Cash and cash equivalents at end of quarter	24,577	19,734	+4,843	24,232	+345	

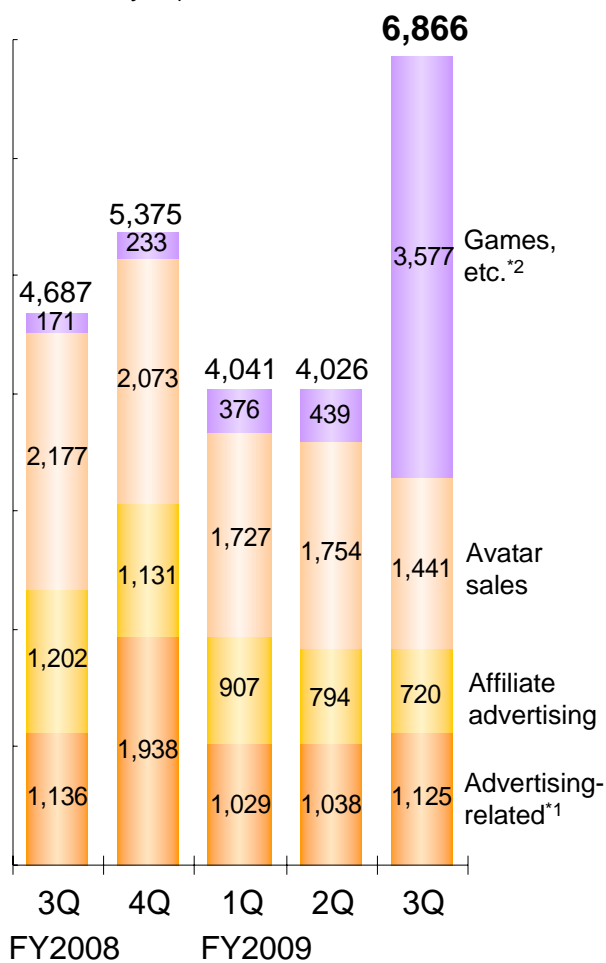
Breakdown of Q3 Sales by Segment

	(Millions of yen)
■ Portal Marketing	7,711
- Moba-ge-town	6,866
- Pocket Affiliate	1,478
- Others	88
- Consolidation and eliminations	(721)
■ Commerce	3,529
- Mobaoku	982
- Mobakore	663
- Paygent	504
- bidders	1,371
- Others	132
- Consolidation and eliminations	(125)
■ Others	414
■ Total	11,655

Moba-ge-town

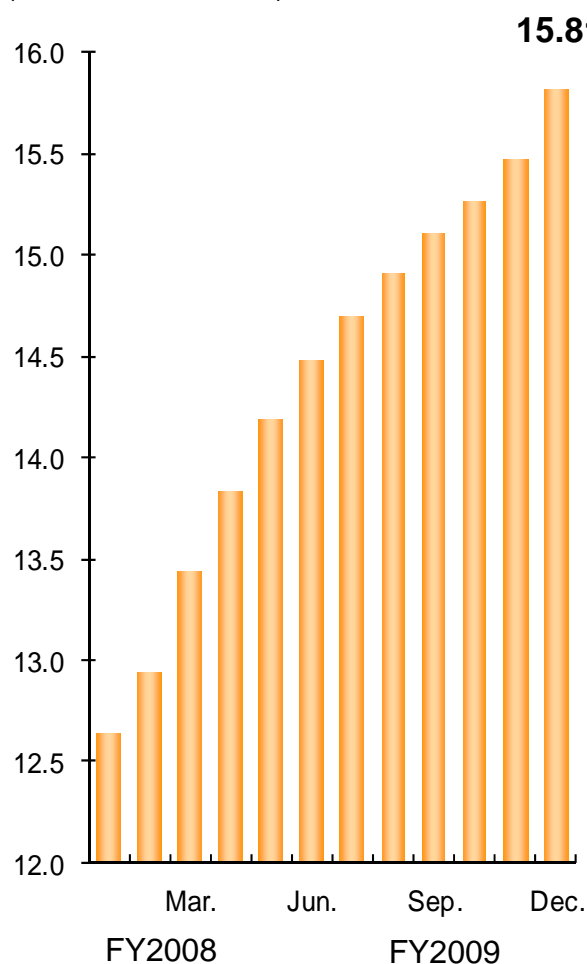
Sales

(Millions of yen)



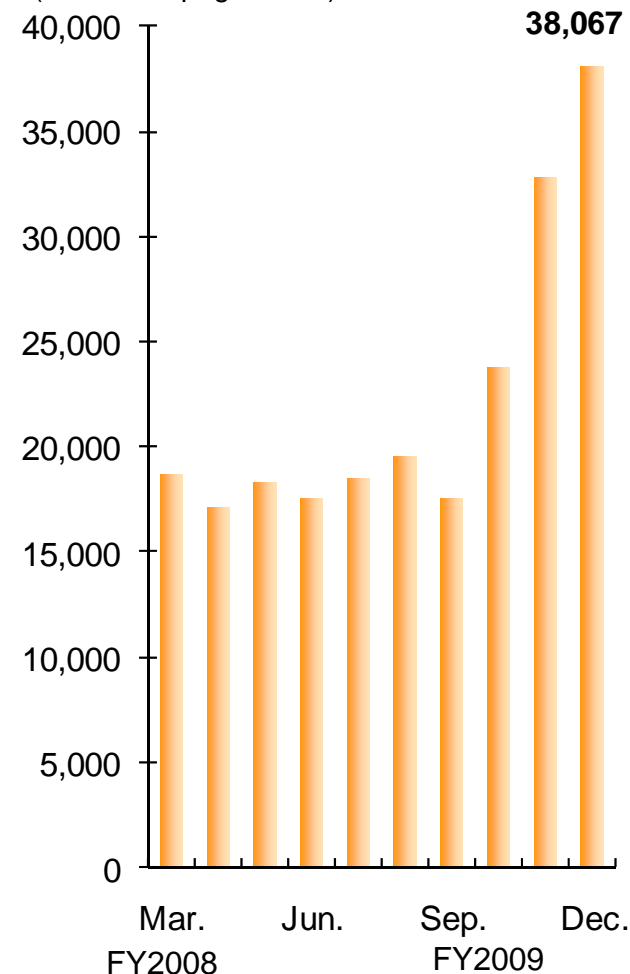
Members

(Millions of members)



Page Views per Month

(Millions of page views)



*1. Advertising-related: banner ads, tie-up ads, ads matched to contents/reach

*2. Games, etc. includes revenues from the mixi Apps Mobile ad/payment program.

In-House Social Games

Continue introducing new titles and develop the game business into an additional pillar of revenues and profits.

	Game Content	Official Release	Model
Pirate Treasure 	Players set out on a voyage, battling enemies while searching for treasure	Official release in early October 2009	Item billing
Hoshi-tsuku (provided to mixi Mobile)	 Players develop civilizations over time as they establish relations with other stars	<ul style="list-style-type: none"> • Moba-ge-town: mid-October 2009 • mixi Mobile: provided mid-January 2010 	<ul style="list-style-type: none"> • Moba-ge-town: item billing • mixi Mobile: ad/payment
Kaito Royale (provided to mixi Mobile)	 While conducting missions, players team up with friends to gather treasures from the world	<ul style="list-style-type: none"> • Moba-ge-town: Early October 2009 • mixi Mobile: provided early December 2009 	<ul style="list-style-type: none"> • Moba-ge-town: item billing • mixi Mobile: ad/payment
Settlerin 	The character changes as Moba-ge-town players move and interact with each other	Distribution increasing steadily from early September	linked with 3D avatars
Monster Trap 	Set traps in the field and cooperate with friends to capture monsters	Official release in late November 2009	Item billing

Progress on the Moba-ge Open Platform



Top page of the game portal

- The Moba-ge Open Platform launched and games were released on January 27

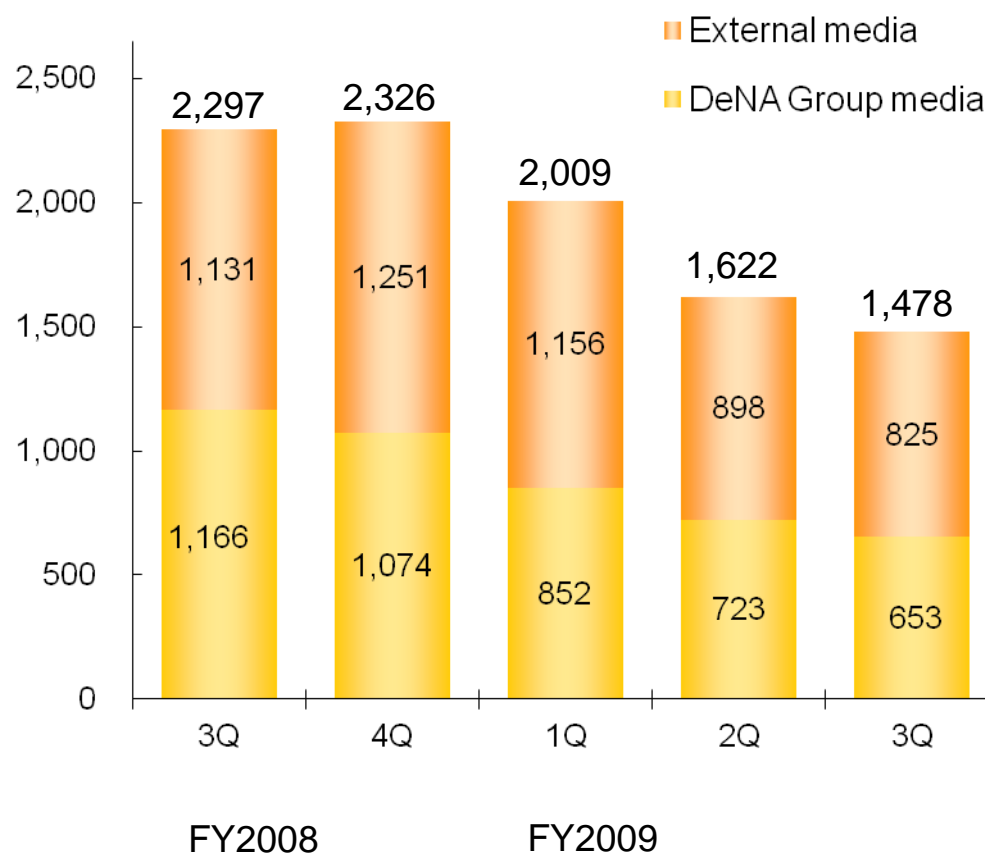
Note: 92 game titles, 40 partner companies (as of January 27)

- Abundant profit-generation opportunities
 - Item billing
 - Advertising
 - Avatar sales
- Leverage expertise gained from in-house social game development to become the top social entertainment platform

Pocket Affiliate

Sales

(Millions of yen)

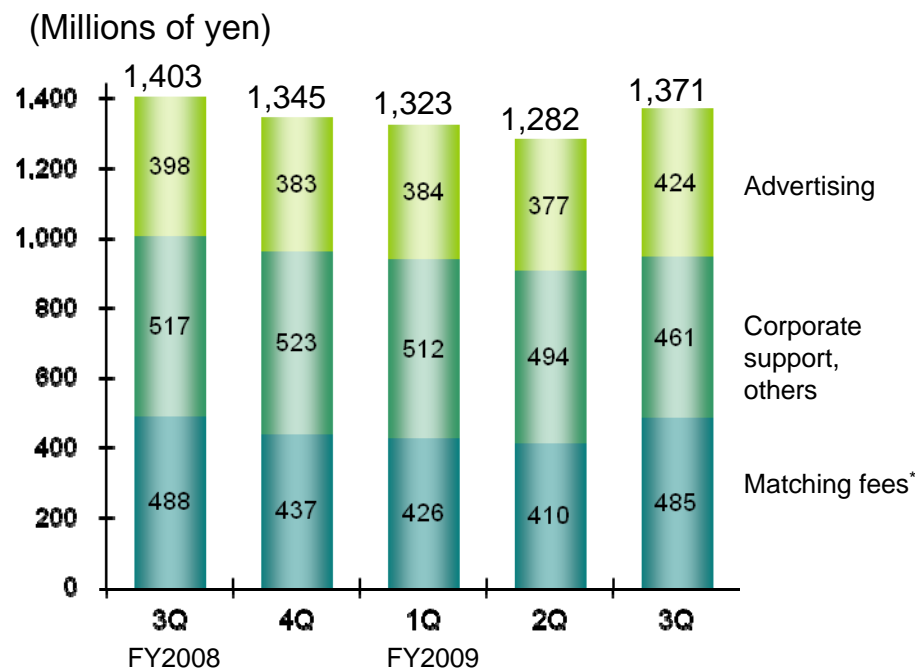


Q3 Highlights

- External media
 - Sales down due to such factors as enhanced measures to exclude improper media
 - Established the Mobile Affiliate Conference (MAC)
- DeNA Group media
 - Sales down due to lower Moba-ge-town avatar demand

E-Commerce Sales (1)

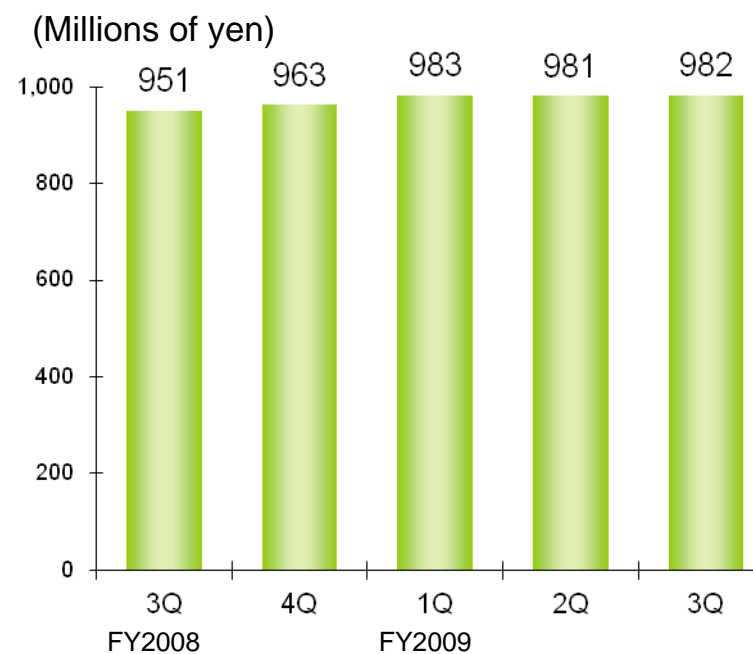
bidders



- Key quarterly indexes
 - Gross merchandise sales: ¥10,909 million (-1% YoY)
 - Stores: 4,886 (as of December 31)
- Gross merchandise sales growth sluggish due to lower unit purchase prices

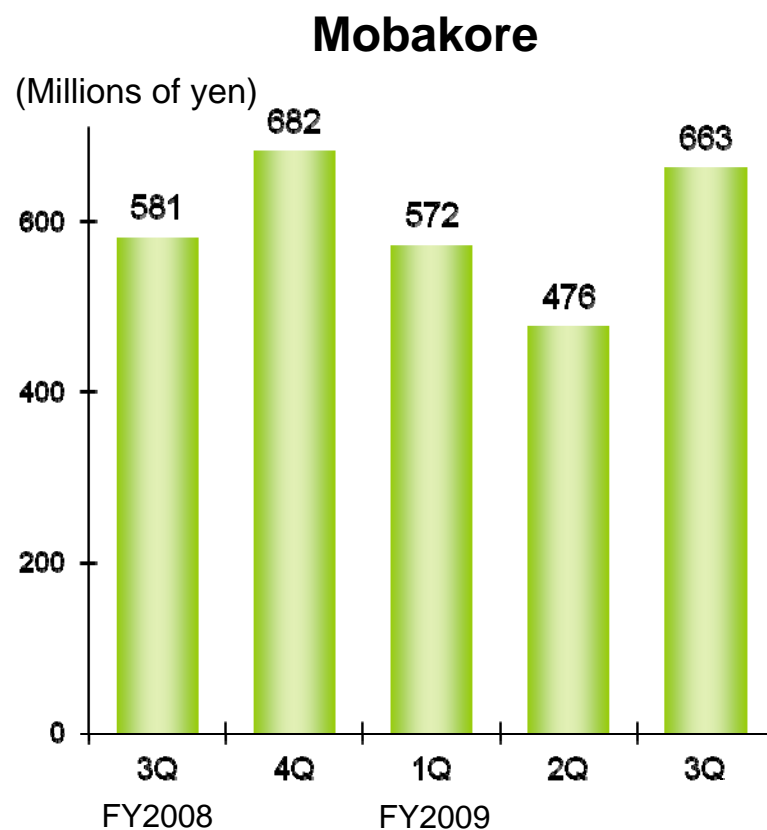
* Matching fees (shopping mall plan)
 Percentage of purchase/hammer price:
 2.5%–4% for PC bids, 5%–6% for mobile phone bids

Mobaoku

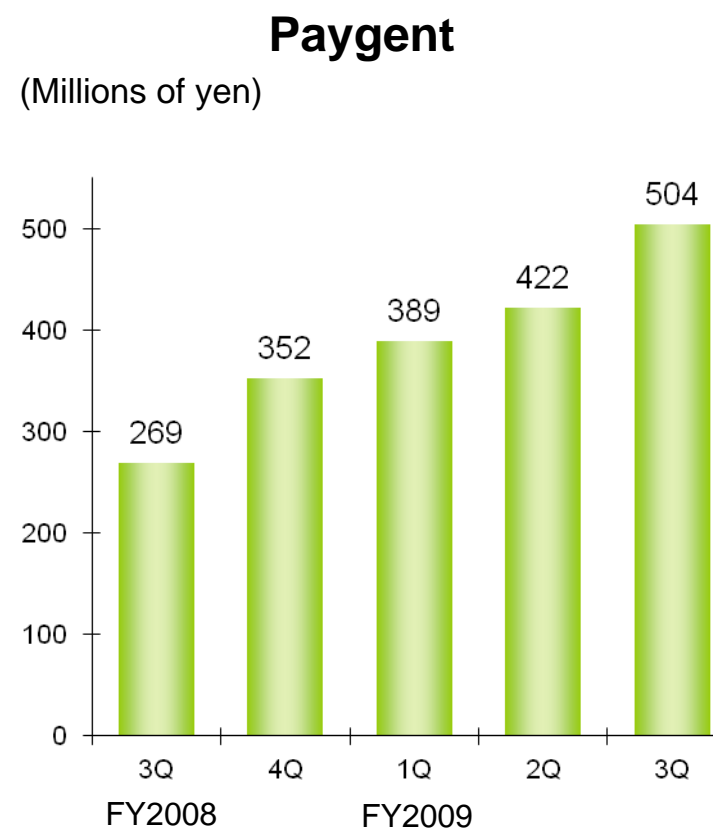


- Key quarterly indexes
 - Paid registered users: 1.23 million (as of December 31)
 - Gross merchandise sales: ¥19,091 million
 - Auction items: 3.64 million (December average)
- Member numbers flat
- Renewing the PC-access site

E-Commerce Sales (2)



- Sales benefited from ability to retain high-volume users and the impact of new sales promotion measures
- Ongoing cost-cutting efforts



- Steady expansion in settlement volume via Mobapay* and at general-member shops (such as e-commerce shops)

* A settlement escrow service for Mobaoku

Key Topics for Future Business Expansion (Summary)

1. Social entertainment platform
 - Leverage opening of Moba-ge Platform to become the leading mobile platform
 - Continue initiatives to invigorate avatar demand
 - Offer UGC services through joint venture with NTT docomo

2. Social games
 - Continue enhancing already-launched social games that have been developed in-house
 - Continue to launch new titles

3. E-commerce
 - Forge stronger relations with partner companies

4. Advertising
 - Create a high-value-added advertising market
 - Leverage the Mobile Affiliate Conference (MAC) to continue enhancing the soundness of our network

5. International expansion
 - Promote our social media business on WAP* and smart phones, leveraging recent investments in the United States and China, as well as our expertise from Japan

* WAP is an acronym for Wireless Application Protocol.

Q1–Q3 FY2009 Performance and Full-Year Forecast

(Millions of yen)

	Q1–Q3 FY2009	Full Year	Progress
Net sales	29,031	43,000	68%
Operating income	11,446	16,000	72%
Ordinary income	11,656	16,200	72%
Net income	6,486	8,500	76%

The forecasts in these presentation materials represent management's assumptions and beliefs based on the information currently available. Readers are cautioned that these forecasts are subject to a number of risks and uncertainties and may differ materially from actual results.



DeNA Co., Ltd.