

For Immediate Release

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Notice concerning Revision of the Forecast of Financial Results for Fiscal 2009

SANKYO Co., Ltd. today announced the revision of the forecast of financial results for fiscal 2009 (from April 1, 2008, to March 31, 2009) in view of the recent trend of the Company's financial performance. The previous forecast for fiscal 2009 was announced on September 11, 2008.

[Consolidated]

For the year ending March 31, 2009 (from April 1, 2008, to March 31, 2009)

		(Millions of yen)				
		Net sales	Operating income	Recurring income	Net income	Net income per share (yen)
Previous forecast	(A)	277,000	71,000	76,000	46,000	477.77
Revised forecast	(B)	189,000	40,000	44,000	26,000	270.05
Difference	(B-A)	(88,000)	(31,000)	(32,000)	(20,000)	-
% change		(31.8)	(43.7)	(42.1)	(43.5)	-
FY2008 results		280,511	72,294	75,770	45,672	468.78

[Non-consolidated]

For the year ending March 31, 2009 (from April 1, 2008, to March 31, 2009)

		(Millions of yen)				
		Net sales	Operating income	Recurring income	Net income	Net income per share (yen)
Previous forecast	(A)	236,000	61,000	65,000	40,000	414.66
Revised forecast	(B)	185,000	43,000	48,000	29,000	300.63
Difference	(B-A)	(51,000)	(18,000)	(17,000)	(11,000)	-
% change		(21.6)	(29.5)	(26.2)	(27.5)	-
FY2008 results		252,478	66,564	69,965	42,344	434.43

This material is an English translation of Japanese announcement made on February 5, 2009. Although the Company intended to faithfully translate the Japanese document into English, the accuracy and correctness of this translation are not guaranteed.

[Reasons for the revision]

The revision is based on management's judgment that it is extremely difficult for the Company to achieve the forecast because of the revision of the sales plans for the pachinko machines business and the pachislo machines business, which are the Group's mainstay businesses.

The Company does not intend to change the year-end cash dividends for fiscal 2009 from the initial forecast of ¥75 per share (annual dividends of ¥150).

1. Pachinko Machines Business

The initial plan was to introduce three major titles for SANKYO-brand series. However, sales volumes of the two titles that have already been introduced, namely, *Fever Dai-Natsumatsuri* (introduced in August 2008) and *Fever Star Wars—Advent of Darth Vader* (introduced in November 2008), fell short of the planned figures. Rather than introducing the third title in the current adverse circumstances, the Company has decided to prioritize re-establishment of the product strategy and sales strategy so that the Company will be in a position to achieve sales targets. Accordingly, the Company has decided to forego the introduction of the third title in the current fiscal year.

Under the Bisty brand, the initial plan called for introduction of the fifth title in the *Neon Genesis Evangelion* series, which is the Group's star product. However, following discussion with Fields Corporation, which is the Group's partner for sales of Bisty-brand products, management concluded that the product value would be maximized by introduction during a period when pachinko parlors' purchase motivation is high and has decided to forego its introduction in the current fiscal year.

As a result, the forecast sales volume of pachinko machines was reduced from 753,000 units to 465,000 units.

2. Pachislo Machines Business

The plan called for introduction of one title each under the SANKYO brand and the Bisty brand during the fourth quarter of the current fiscal year. However, because the demand for new pachislo machines is expected to be lackluster, management has decided to revise the sales strategy and forego the introduction in the current fiscal year.

As a result, the forecast sales volume of pachinko machines was reduced from 151,000 units to 134,000 units.

The above forecast is based on information currently available to management. Actual results may differ from the forecast owing to various factors.