

For Immediate Release

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## Notice concerning Revision of the Forecast of the Financial Results for the Year Ending March 31, 2012

SANKYO Co., Ltd. today announced the revision of the forecast of financial results for fiscal 2012 (from April 1, 2011, to March 31, 2012) in view of the recent trend of the Company's financial performance. The previous forecast for fiscal 2012 was announced on May 13, 2011.

### [Revision of the forecast of consolidated financial results for the year ending March 31, 2012] (From April 1, 2011, to March 31, 2012)

		(Millions of yen)				
		Net sales	Operating income	Recurring income	Net income	Net income per share (yen)
Previous forecast	(A)	182,000	40,000	43,000	26,000	278.24
Revised forecast	(B)	160,000	33,000	37,000	21,000	224.73
Difference	(B-A)	(22,000)	(7,000)	(6,000)	(5,000)	-
% change		(12.1)	(17.5)	(14.0)	(19.2)	-
FY2011 results		201,606	51,923	55,909	34,733	364.09

### [Reasons for the revision]

This revision reflects management's judgment that it is extremely difficult for the Company to achieve the forecast in view of the revision of the sales plans of the pachinko machines business and the pachislot machines business, which are the Group's mainstay businesses.

The Company does not intend to change the year-end cash dividend for fiscal 2012 from the initial forecast of ¥75 per share (annual dividends of ¥150).

Emphasizing product development from players' viewpoints to achieve growth by expanding sales over the medium to long term, SANKYO Group is striving to offer game machines capable of inspiring the enduring allegiance of players. The evaluation of our products by both players and parlors has been trending upward until recently, indicating the effectiveness of this strategy. Our results in the first six months exceeded the initial sales plan.

However, evaluation of the pachinko and pachislot machines the Group introduced in the third quarter was unfavorable, falling short of our expectations. In view of these circumstances, after careful consideration, we concluded that we should prioritize the enhancement of product attractiveness so as to earn a higher evaluation among players by extending the

development lead time for certain titles scheduled for introduction in the fourth quarter. Accordingly, we will postpone introduction of two pachinko titles and three pachislot titles to the next fiscal year.

Regarding the latest titles of the Group's blockbuster *Evangelion* series sold under the Bisty brand, orders received for the *Evangelion 7* pachinko machine introduced in January 2012 have reached nearly 100,000 units and order taking is underway for *Evangelion—the Heartbeat of Life*, which will begin shipping in late February 2012. The initial response of players and parlors to the *Evangelion 7* pachinko machine has been generally positive and we expect it to become an enduring favorite among players, erasing the memory of the low evaluation of *Evangelion—Evangelical of The Beginnings*, the previous title introduced in June 2010.

Consequently, the forecast sales volume of pachinko machines was reduced from 369,000 units to 322,000 units and that of pachislot machines was reduced from 169,000 units to 100,000 units.

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

This material is an English translation of Japanese announcement made on February 2, 2012. Although the Company intended to faithfully translate the Japanese document into English, the accuracy and correctness of this translation are not guaranteed.