



Consolidated Financial and Business Results for the 1st Half of FY08 (Ending March 2009)

Faith, Inc.

Nov 18, 2008



Mobile



Game



Internet



Computer



Technology

Agenda

1. Consolidated Financial Results for the 1st Half of FY2008
(Ending March 2009)
 - Highlights of Consolidated Financial Results
 - Results of the Contents Business
 - Results of the Electronic Money Business
 - Highlights of Business Developments During the First Half of FY08
2. Full-Year Forecast of Consolidated Financial Results for the FY2008
(Ending March 2009)
3. Business Strategies
 - Faith's Business Concept
 - Faith's Target Domains of the Digital Content Business
 - Multi-Content/Multi-Platform Strategies



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Consolidated Financial Results

for the 1st Half of FY08 (Ending March 2009)



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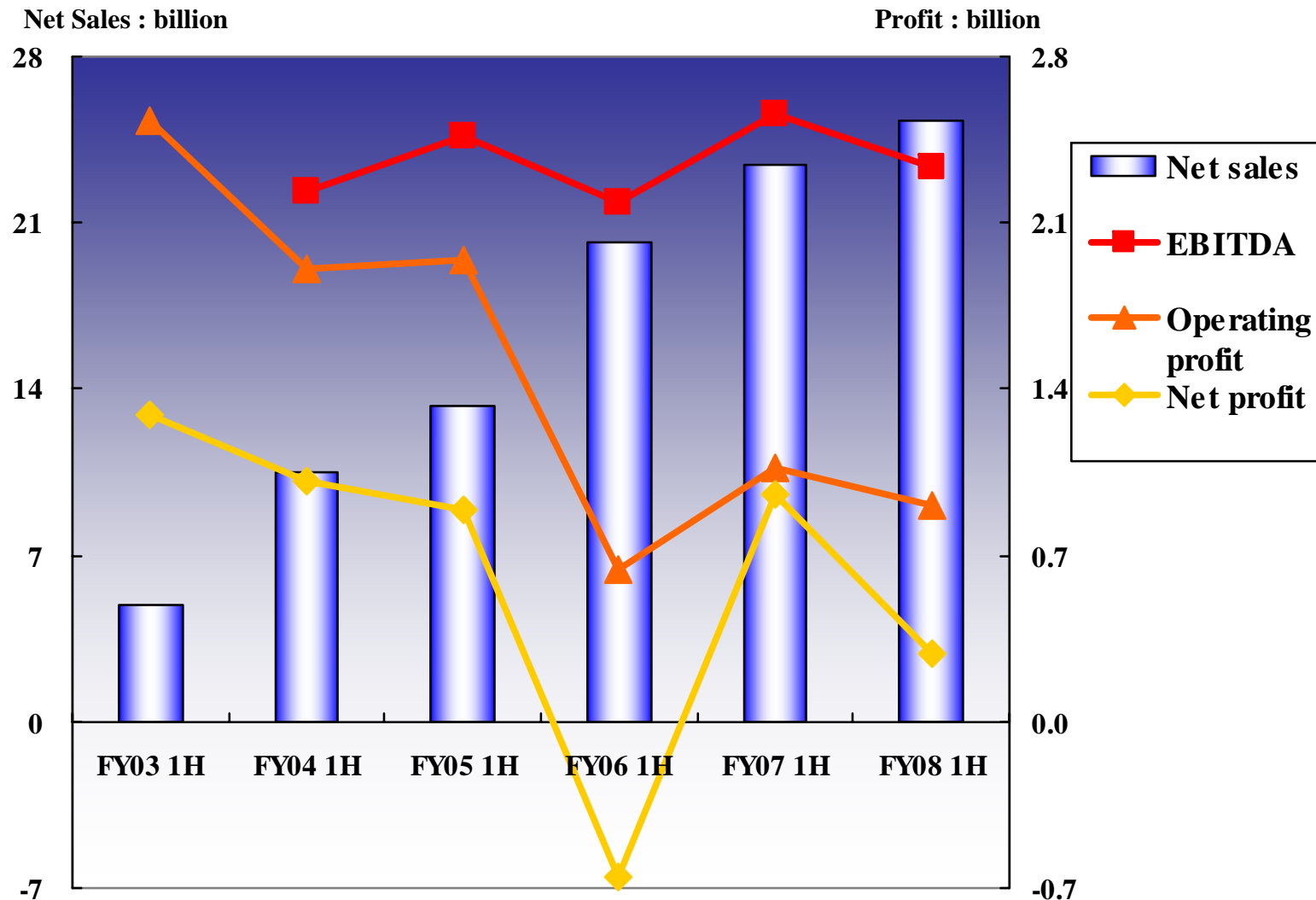
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Highlights of Consolidated Financial Results

Achieved continuous high growth in net sales as the Electronic Money business offset the decrease caused by the realignment of overseas business. Operating profit decreased due to the upfront investments on starting up the businesses.



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Results of the Contents Business During FY2008 1H

Net sales decreased due to the decline of overseas revenue caused by the business realignment, despite the steady growth in Japan.

Profits also decreased due to the upfront investments on the creation of new markets and the increase in costs for the procurement of rich-content.



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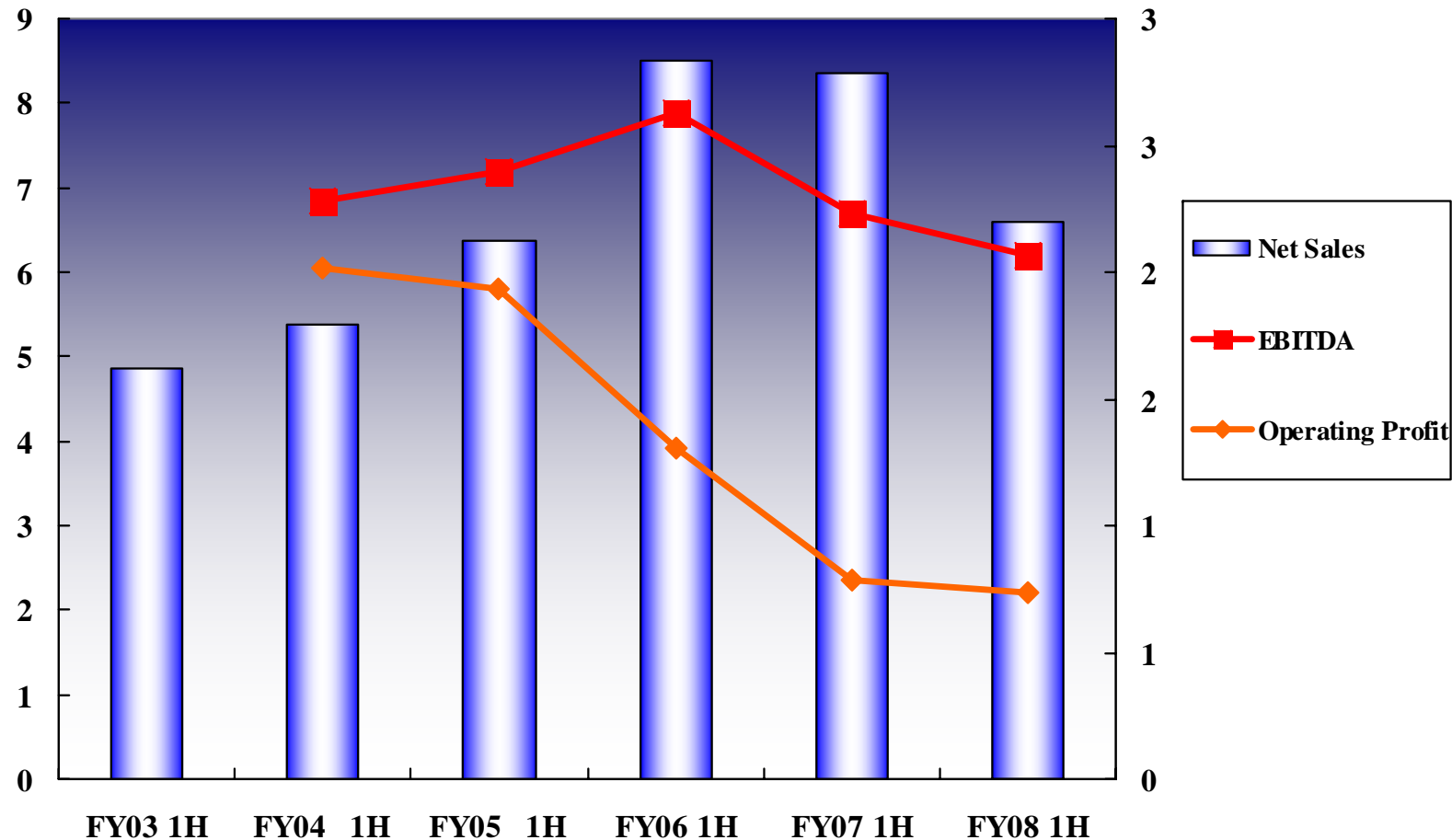
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Net Sales : billion yen

Profit : billion yen



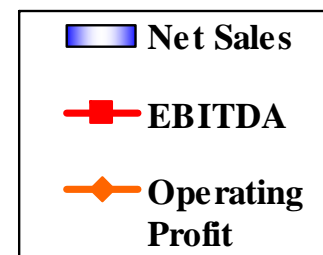
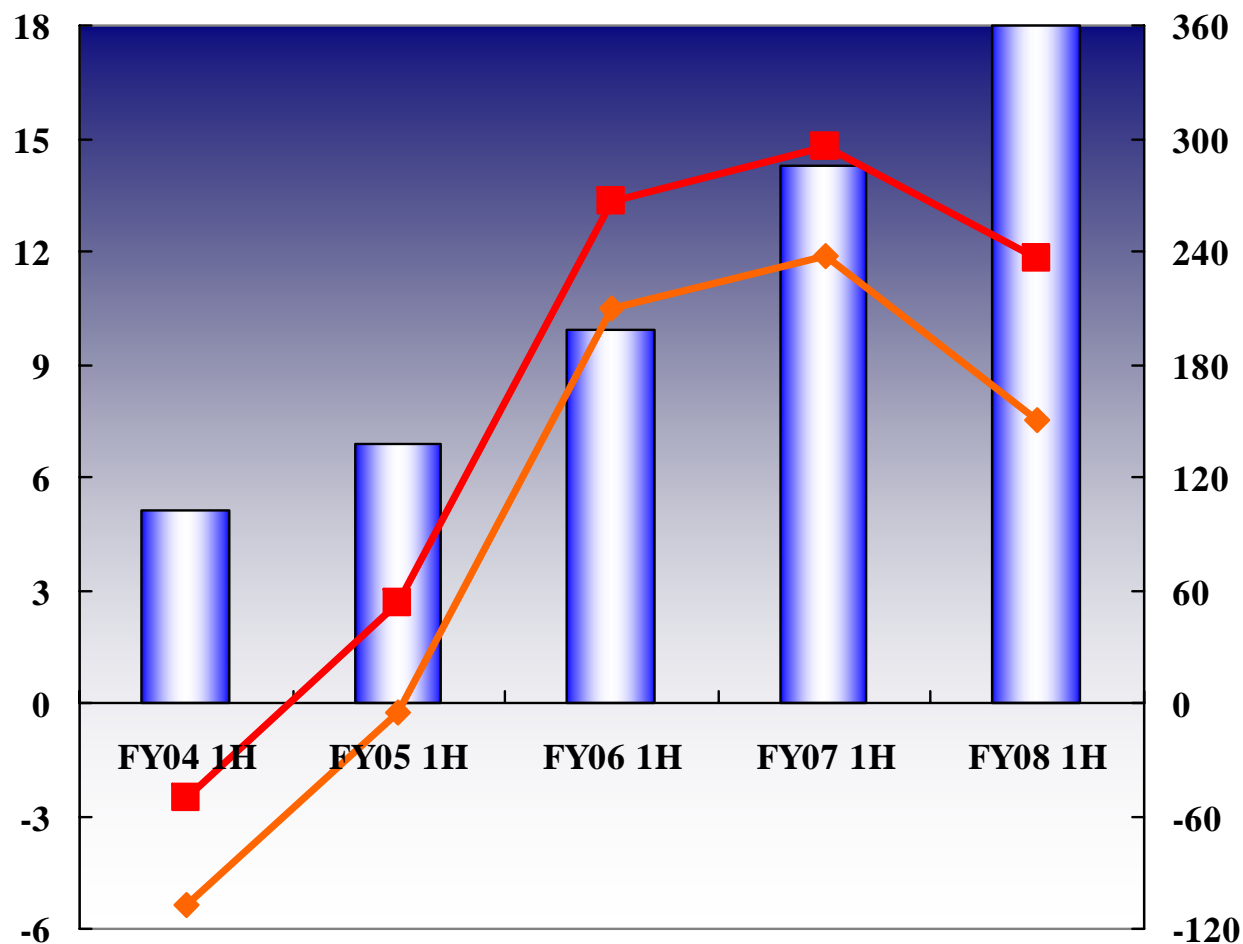
Results of the Electronic Money Business During FY2008 1H



Net sales achieved continuous high growth driven by the increase in the total value of settlement mainly in the online game category.

Net Sales : billion yen

Profit : million yen



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Highlights of Business Development during the First Half of FY08 - 1



Content Distribution Business - 1

- ▶ GIGA Networks launched "GIGA Miranca," a NFRM™ corresponding video content distribution site designed for mobile phone and PC.
- ▶ GIGA Networks launched a short drama series titled "Koisuru Ketsuekigata," filmed and edited specialized for mobile internet.
- ▶ On GIGA Mirance, GIGA Networks started distributing the entry films to "Short Shorts Film Festival & Asia" which is officially recognized by Academy Awards.
- ▶ NFRM™ PC Viewer, an application to playback NFRM™ corresponding content, has preinstalled on the three major PC brands in Japan.
- ▶ The preinstall of Faith's NFRM™ corresponding video content portal site on ROBRO, a TV/Internet integrated type DTTV tuner.
- ▶ Faith has established the transmission of NFRM™ services by infrared data communication. The function is mounted on the TV/Internet integrated type terrestrial digital tuner.
- ▶ A new personal authentication service "Mail de Go!" utilizing one-time URL (unique for one user) has been launched.



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Video Content Distribution

Improving the viewing environment for NFRM™ services



- Preinstall of NFRM™ PC Viewer on the major brands in Japan
- Interaction of KAZAS Channel with ROBRO, a DTTV/Internet integrated browser
- Commercial use of infrared-equipped NFRM™ has been launched
- Launch of a new authentication service utilizing one-time URL (unique for one user) "Mail de Go!"

▼Transmitting data via infrared communication



▼KAZAS channel on ROBRO



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Video Content Distribution

Improving the viewing environment for NFRM™ services



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▼ Transmitting data via infrared communication



▼ KAZAS channel on ROBRO



Video Content Distribution

Expansion of NFRM™ service contents

- Launch of GIGA Miranca operated by GIGA Networks (1,500 titles as of September 2008)
- Distribution of 168 entry films to “Short Shorts Film Festival & Asia”
- Production and distribution of PC content "Koisuru Ketsuekigata" drama series (Produced and invested by Desperado and GIGA Networks)



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◀ “Short Shorts Film Festival & Asia”



GIGA Miranca ▶

恋する血液型



◀ "Koisuru Ketsuekigata"

(c) 恋する血液型制作委員会

Highlights of Business Development during the First Half of FY08 - 2



- ▶ **Medical Communication started a trial service of "Pocket Karte," a personal medical record service accessible from PC/mobile phone, in collaboration with Willcom etc.**
- ▶ **Brave formed partnership in music business with "MySpace", one of the world's largest SNS through "viBirth".**
- ▶ **Brave launched "KASIMO" an automatic lyric display service for iTunes users.**
- ▶ **Faith expanded the distribution of "Eikyufumetsu Contents (Eternal Contents)" service from Mobile phone to PC in cooperation with Credit Saison.**
- ▶ **Faith started operation of a free award point service site "ROSE POINT ISLAND" jointly with Adways on ROSE ONLINE.**
- ▶ **Desperado made its produced film "PACO and the Magical Book" a big hit.**



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Medical and Health Information Distribution Platform



■ PocketKarte

- **launched the official free service on 1st October**

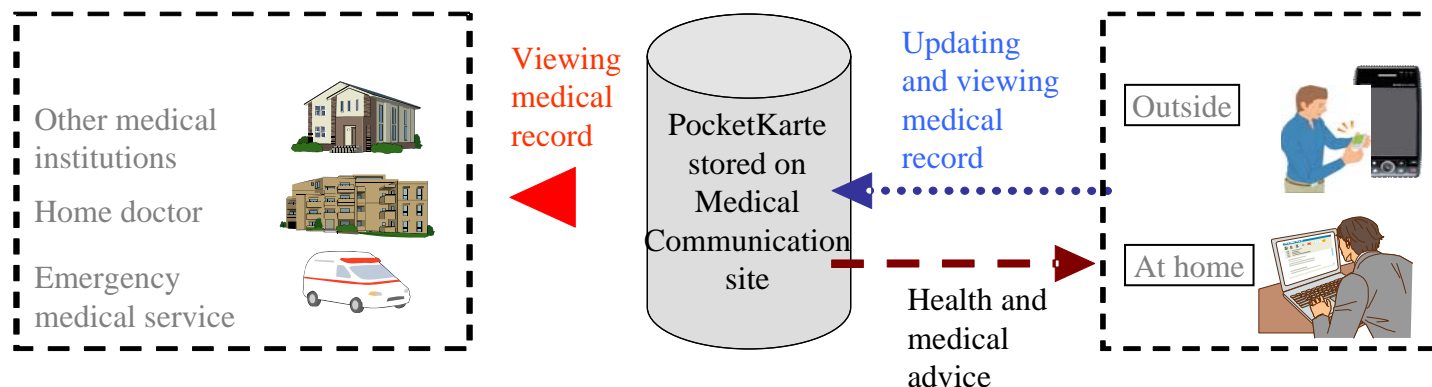
Joint business with WILLCOM and other companies

Maintenance and viewing of a user's individual health and medical record (Karte) is easily available on mobile phone and PC.

< Users' benefit >

- 1. Maintenance and viewing of a user's individual health and medical record**
- 2. Transferable records remove complicated procedures of recheck in case of changing hospitals.**
- 3. Easily inquire to second opinions about treatment by carrying the record.**

▼ Service scheme of PocketKarte



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Music Distribution and Relevant Services



■ viBirth × MySpace

Brave formed partnership in music business with “MySpace”, one of the world's largest SNS through “viBirth”.

myspace.com BETA Japan

MySpaceトップ | MySpaceアーティスト登録はこちらから

アーティスト支援サービス

アーティスト活動をサポートする各種サービスをご紹介！
ラインナップも今後追加予定です！

新着のお知らせ

viBirthサービススタート！
永らくお待ちいたしました！「viBirth」サービスがスタートしました。MySpaceのプロフィール上で楽曲の販売が出来て、そのうえ、iTunesやモバイルでも販売も出来ます！「viBirth」は様々な機能があなたのアーティスト活動をサポートしてくれるサービスです。

フレンドになってサービス新着情報をゲット

フレンドになる

「お知らせ」などでアーティスト向けサービス情報をお伝えします。

■ KASIMO

Brave launched "KASIMO" an automatic lyric display service for iTunes users.

KASIMO カジモ

KASIMO Viewer

iTunesで歌詞を読む。見る。楽しむ。

FREE

幾千も重なった幾月も
星たちの深い夢さえずした
読みかけのお便箋をじて
夕暮れにランプつ打そ
西向きの扉戸をあけたら
忍び込む朽ち果てた涙の影
論議に見る真紅の月
終わりになき始まりを告げるよ

KASIMO Viewer プラグインはiTunesで再生中の音楽に歌詞を表示することができます。

あなたのiTunesに KASIMO Viewer プラグインをインストールすると5万曲の歌詞データベースから歌詞を自動的に検索し表示する事が可能になります。
iTunes Storeで3000曲以上のJ-POP BGMカラオケを配信中のアーティスト「BGMan」の全曲対応オフィシャル歌詞プラグインとしてご利用頂けます。

PLUG-IN ダウンロード

About KASIMO



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Production of Video Content

Made a blockbuster film
"PACO and the Magical Book"
produced by Desperado.



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Highlights of Business Development during the First Half of FY08 - 3



Electronic Money Business

- ▶ Started the sale of "WebMoney" at Seven-Eleven stores across Japan
- ▶ WebMoney launched "WebMoney Point Park" which the registrants can earn " WebMoney " free of charge.
- ▶ WebMoney started the sale of "WebMoney" at Jibun Bank payment service, jointly run by KDDI and MUFG.
- ▶ "WebMoney" has been accepted by EMOBILE to prepay its EM charge service for mobile communication charges.
- ▶ WebMoney launched "WebMoney Wallet Plus" service that users can earn extra points by credit purchases.



Mobile



Game



Internet



Computer



Technology

* For the outline of Faith Group, see pp.56-58.

Advertisement Solution

■ WebMoney Point Park

1. Sign up and shop at WebMoney Point Park
2. Give-away "WebMoney" sent automatically to your "Wallet"
3. Spend "WebMoney" at member stores accepts "WebMoney"



Mobile



Game



Internet



Computer



Technology

Start of Gold Points Provision Service

■ WebMoney Wallet Plus

Exclusive Gold Points are given when "WebMoney" purchased by credit.

<Benefits>

1. Exchange Gold Points for exclusive gift items
2. Exchange Gold Points for "WebMoney"
3. More premium award available depending on the amount of "WebMoney" purchase



Mobile



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Internet



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Technology



Mobile



Game



Internet



Computer



Technology

Full-Year Forecast of Consolidated Financial Results for the FY2008 (Ending March 2009)

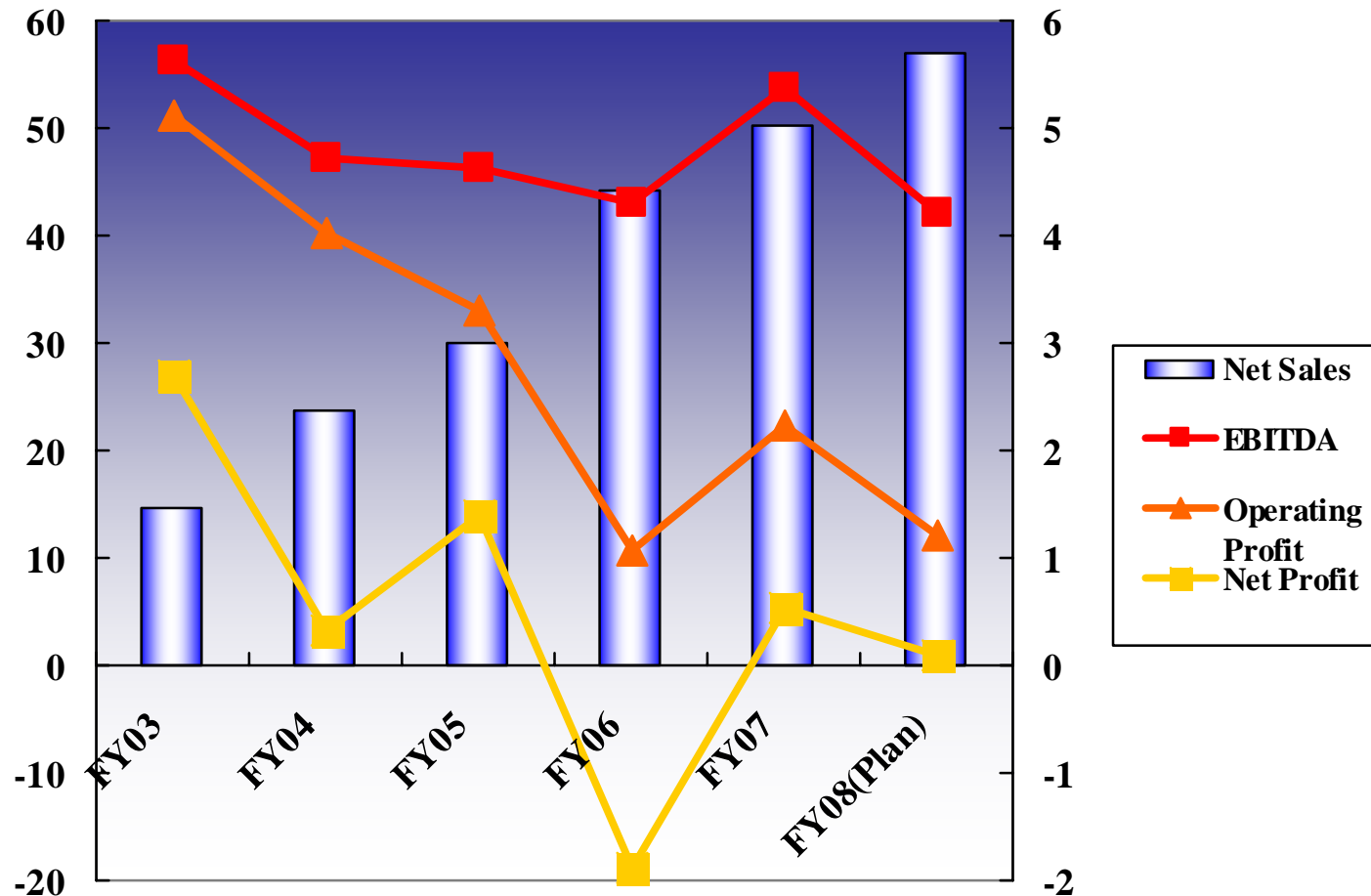
FY08 Financial Forecast for the Business Results



Continuously high growth is expected in net sales due to the expansion of the Electronic Money Business. Profits are expected to decrease due to the ongoing upfront investments on the planning and development of new market and other factors such as the production and the procurement of rich-content for a wide range of information terminals.

Profit : billion yen

Net Sales : billion yen



Business Strategies



Mobile



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Internet



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Business Concept

Sender's motives
=Desire to deliver

Broad Contents
Videos,
Music, etc



Recipients motives=
Desire to see, listen
and learn

User



Mobile



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Internet



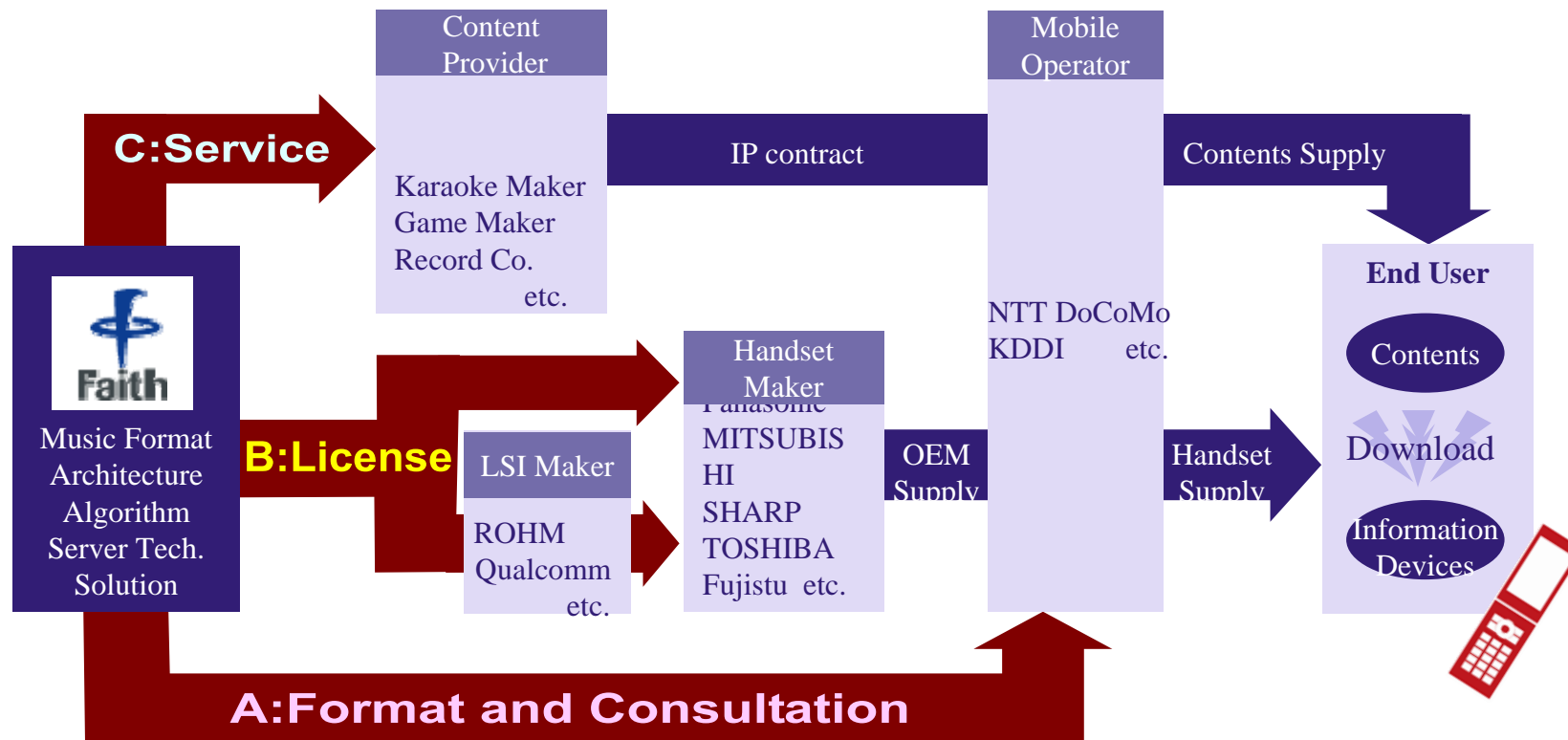
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Grasp the evolution of user's value instantaneously and
Deliver contents through the best means
to meet of the needs of the times

Business Model



Mobile



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Ringtones Business Model

Network Evolution



	2006	2007	2008	2009	2010	2011
• Wired communication	<p>Ultrahigh-speed networks (~100Mbps)</p> <p>▲ Full-scale services of 100M optical fiber</p> <p>▲ Introduction of 1G optical fiber communication</p>		<p>Optical fiber giga byte networks (~1Gbps)</p> <p>▲ Launch of NGN</p>	<p>▲ Prevalence of 1G optical fiber communication</p>		<p>▲ NTT next generation networks link with mobile services</p> <p>▲ Speeding up</p>
• Wireless communication	<p>Broadbandization of mobile phone (~a few Mbps)</p> <p>▲ Launch of 3.5G mobile phone</p>		<p>Broadbandization of mobile phone (dozens of Mbps)</p>	<p>▲ Launch of 3.9G mobile phone</p>		<p>100Mbps Broadbandization</p> <p>▲ Launch of 4G mobile phone</p>
		<p>New wireless communication</p> <p>▲ Launch of UWB</p> <p>▲ Launch of fixed WiMax</p>		<p>Integration of new wireless technologies and mobile phone</p> <p>▲ Launch of mobile WiMax</p>		<p>▲ Realization of wireless software</p>
• IP phone • IP communication	<p>Prevalence stage of IP phones (voice service)</p> <p>▲ Introduction of TV/PC conferences on broadband</p>		<p>Full-scale IP phone services beyond telephone functions (Link with multi-media and various applications)</p> <p>▲ Linked to consumer electronic appliances</p>			<p>▲ Context-aware services</p>



Mobile



Game



Internet



Computer



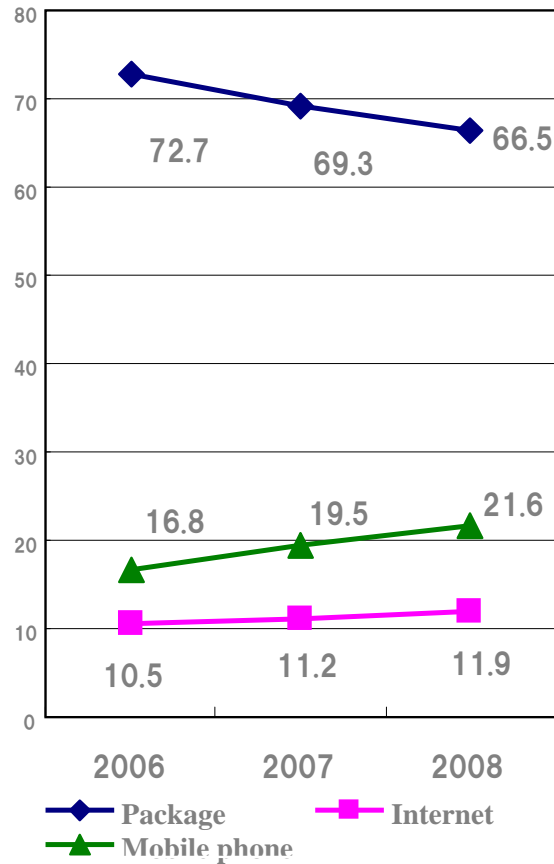
Technology

Network to meet the evolving user needs

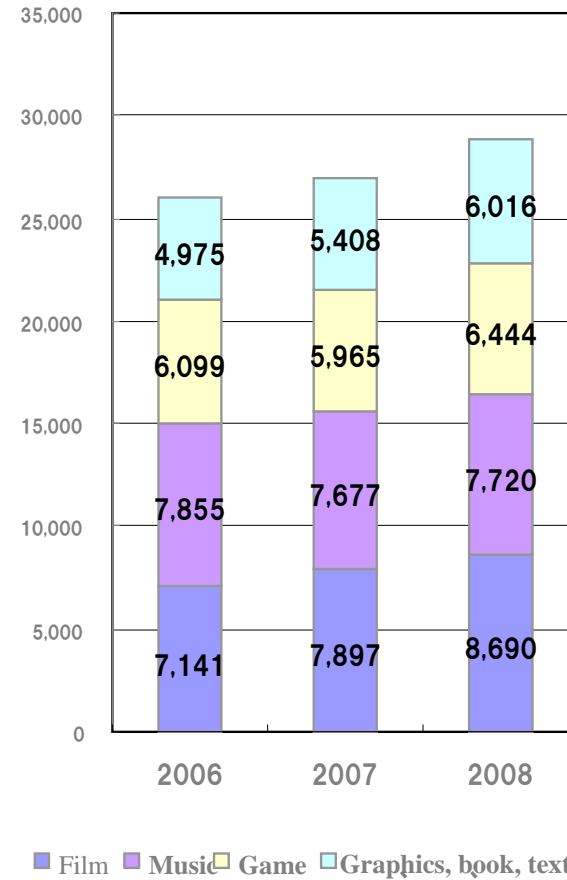
Digital Content Market Growth



■ Content volume by distribution route



■ Amount of content distribution



Source: Digital Content Association of Japan "Digital Content White Paper 2008"



Mobile



Game



Internet



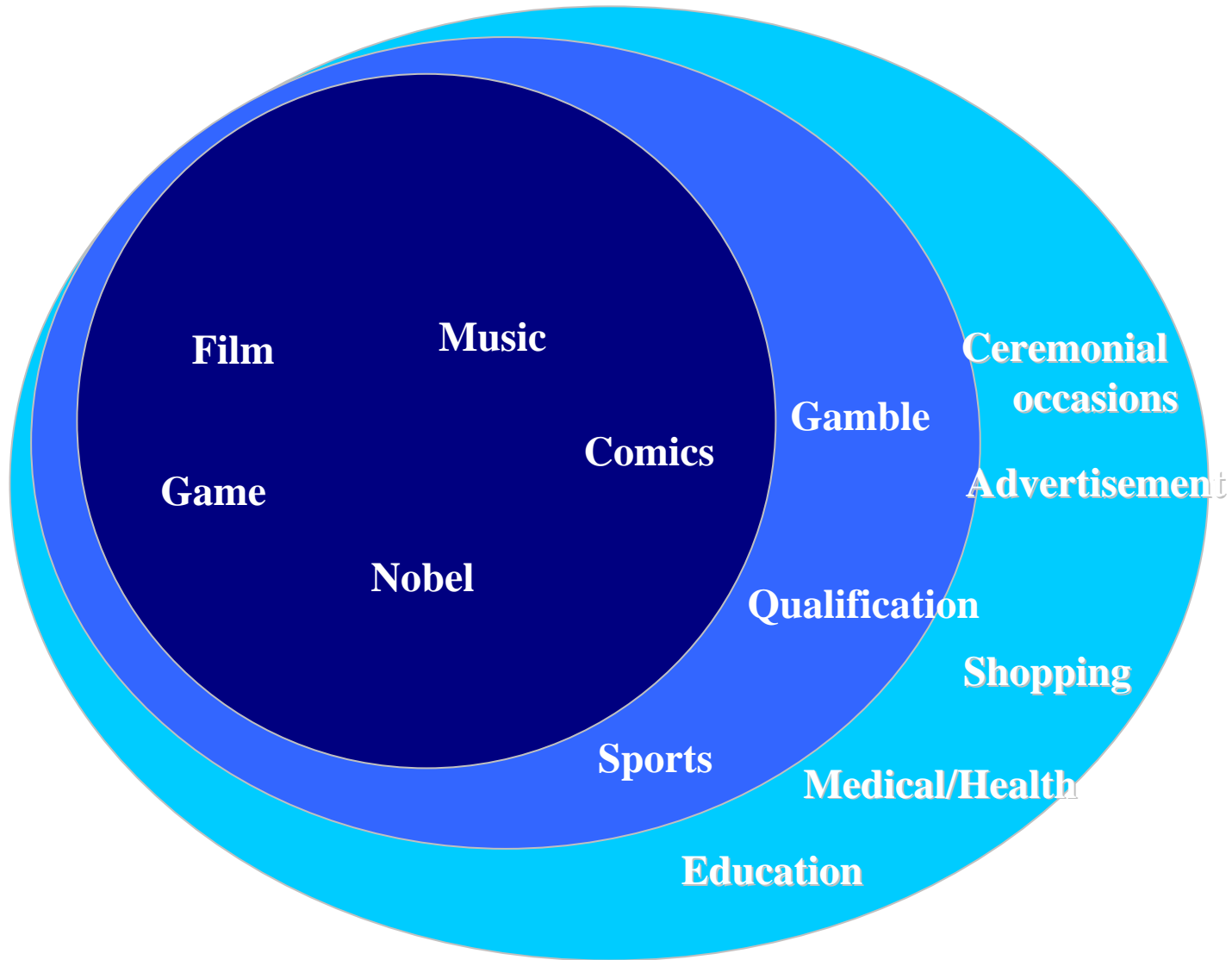
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Diversifying Digital Contents

Expansion of Digital Contents Business Domain



Mobile



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Technology

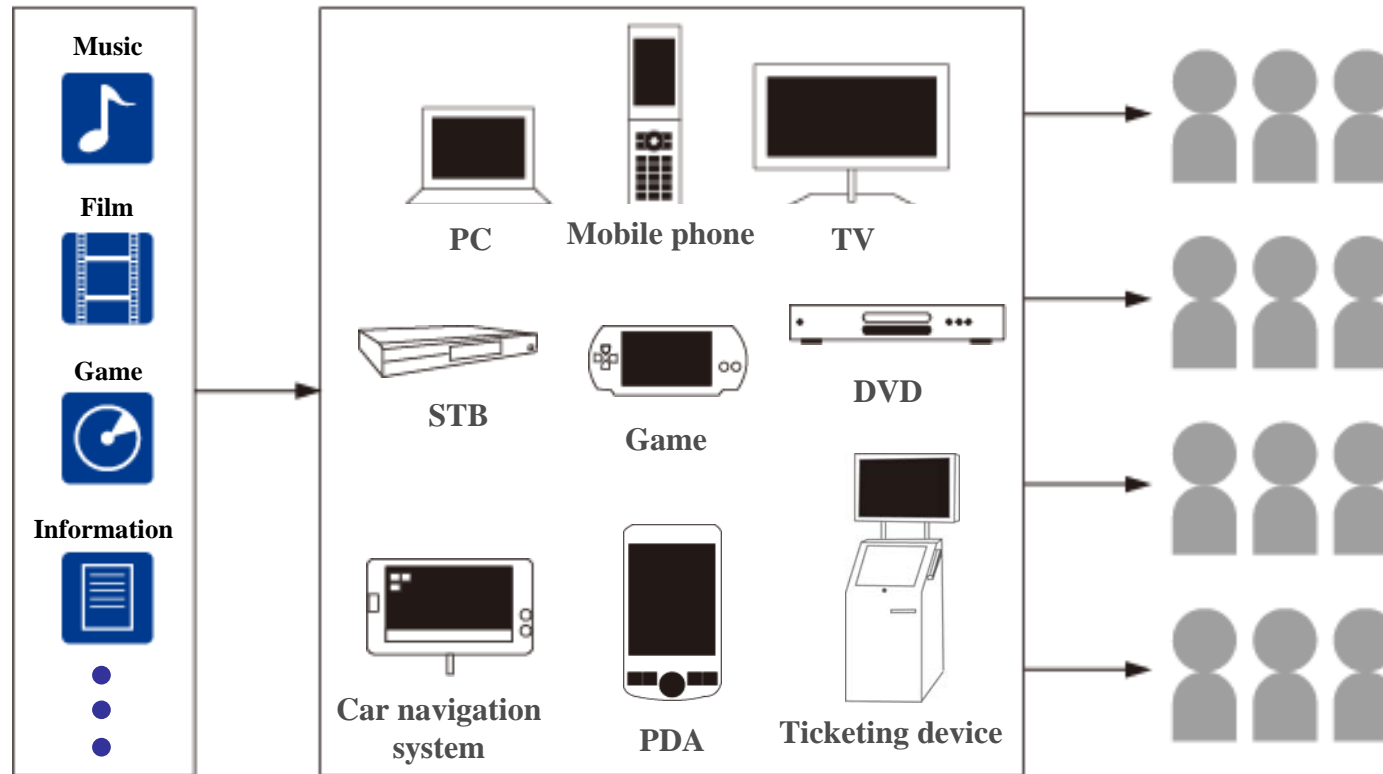
Multi-Platform and Multi-Content Strategies



Multi-Content

Multi-Platform

User



Meet the market needs instantly and deliver contents through any network or devices to users

Multi-Platform and Multi-Content Strategies

Exemplar Model



Mobile



Game



Internet

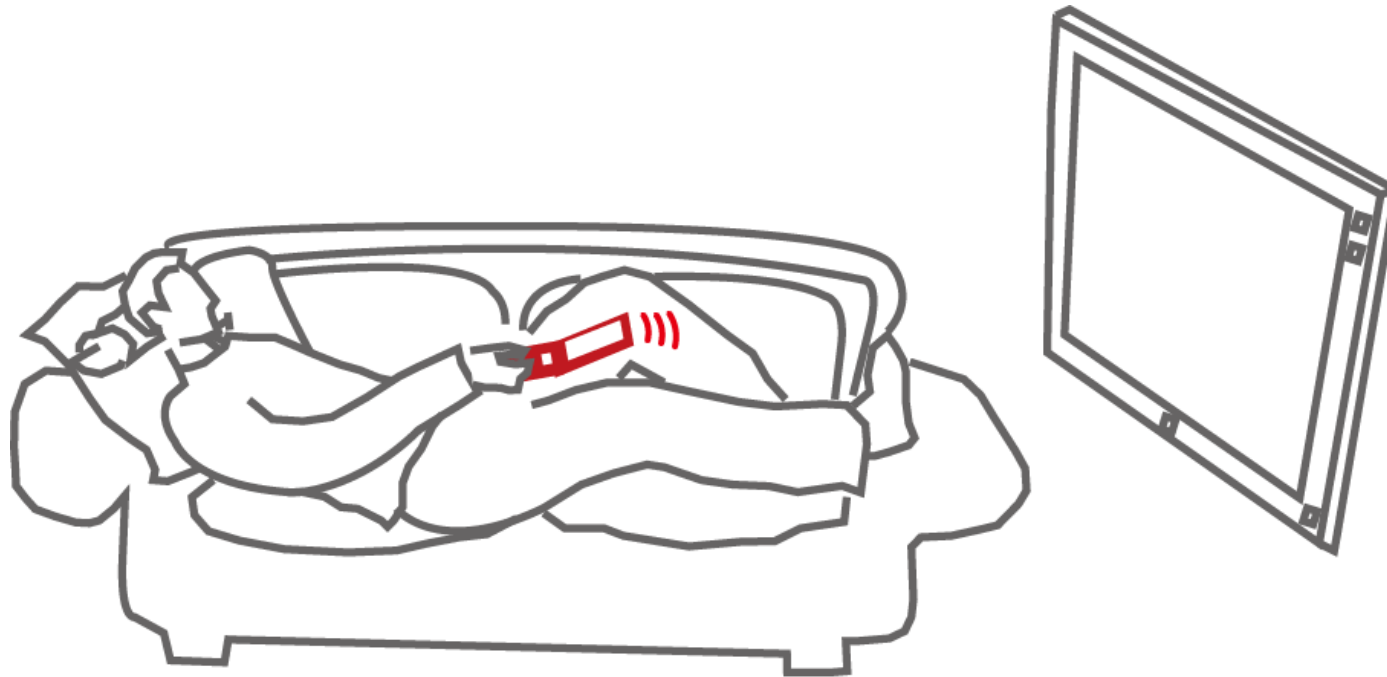


Computer



Technology

NFRM™ –KAZAS Channel – 1



Mobile



Game



Internet



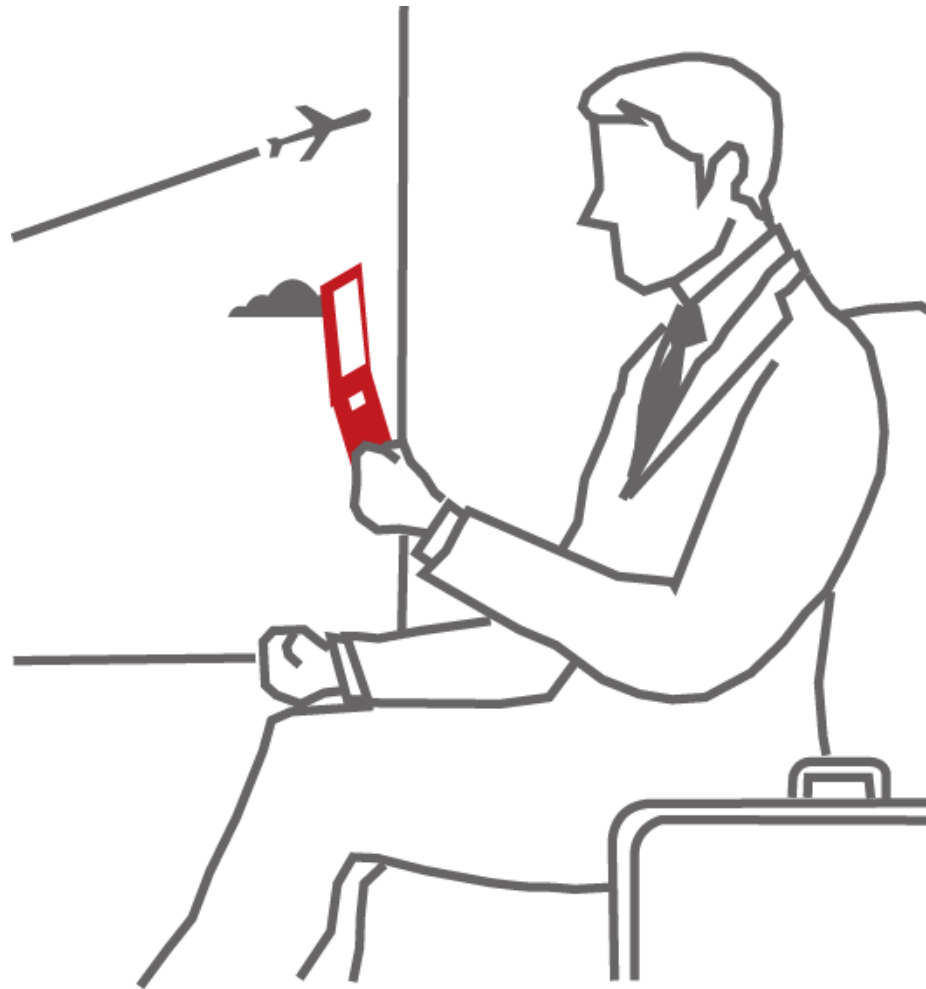
Computer



Technology

At home / view on larger display

NFRM™ –KAZAS Channel – 2



Mobile



Game



Internet



Computer



Technology

At an outside location / search, purchase and view

NFRM™ –KAZAS Channel – 3



Mobile



Game



Internet



Computer



Technology

On business trip / view on PC

Portable medical record on mobile phone



Mobile



Game



Internet



Computer



Technology

At hospital / Reference previous medical record

Personal authentication with mobile phone



GPASS



Mobile



Game



Internet



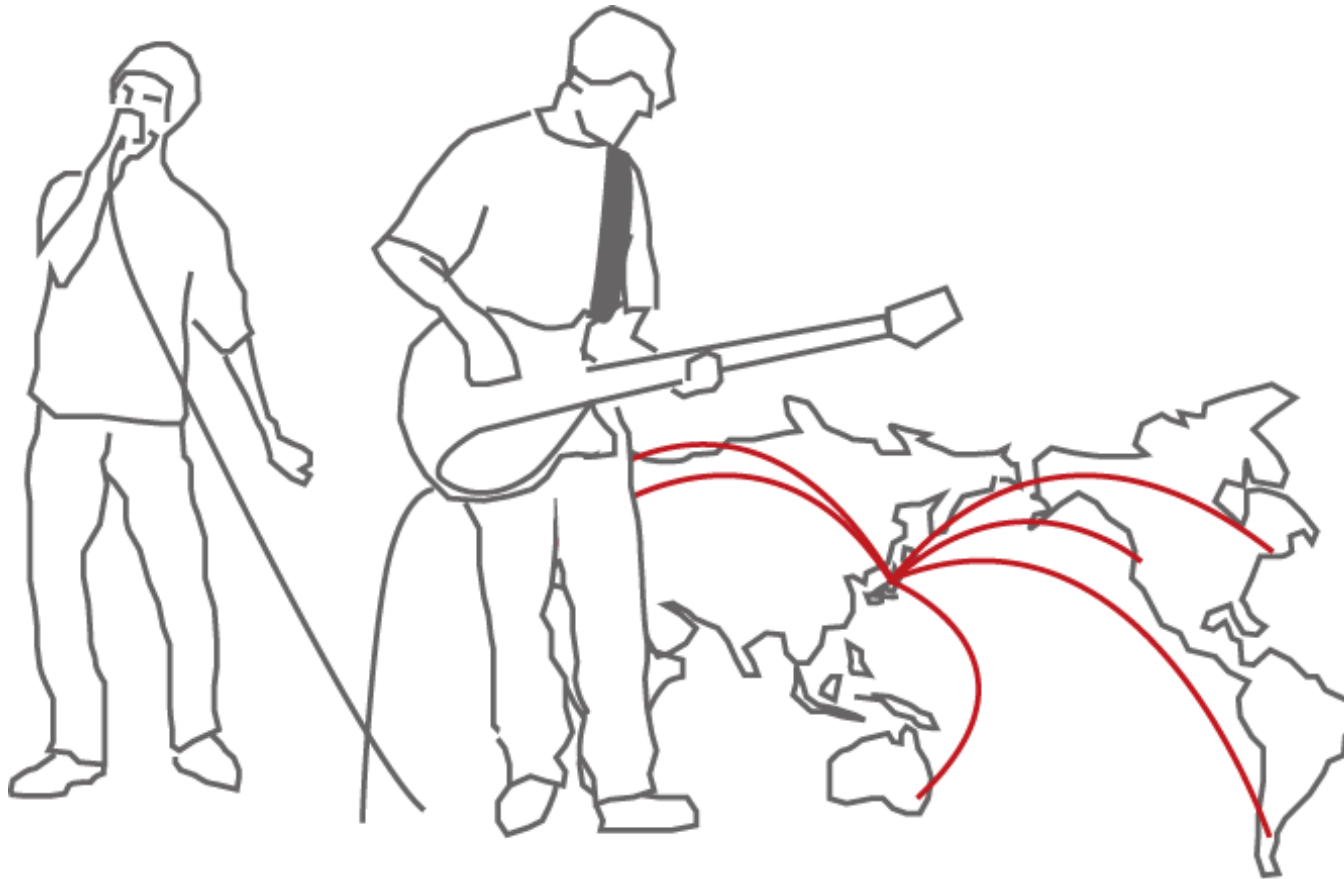
Computer



Technology

Log in at internet café (regardless of location)

Sell music worldwide



Mobile



Game



Internet



Computer



Technology

Distribute music from home to the world

Multi-Platform and Multi-Content Strategies



Mobile



Game



Internet



Computer



Technology

Faith Group Corporate Philosophy

**Don't chase after things already exist.
Create something new.**

We are always looking at Future, not Now.

Rather than being bound by things already exist in our lives,

Create assets from scratch for our future.

Introduce prosperous lifestyle filled with smiles to everyone.



Mobile



Game



Internet



Computer

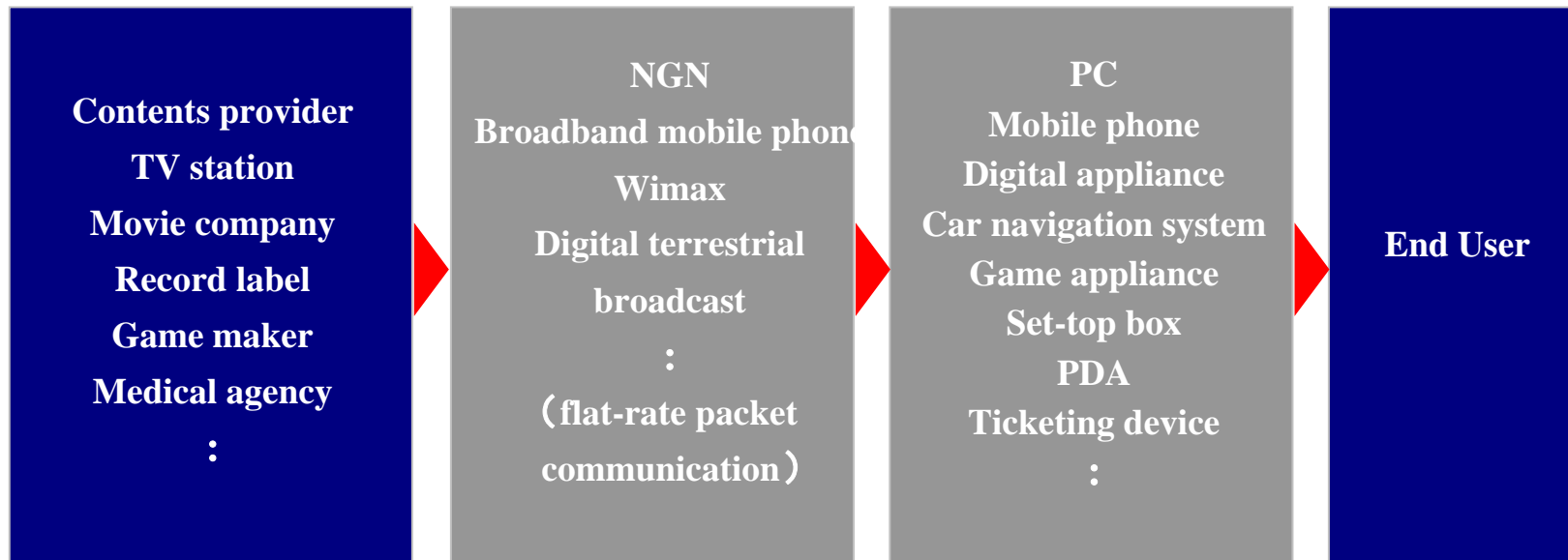


Technology

Faith Group Synergy



Alliance Strategies



Mobile



Game



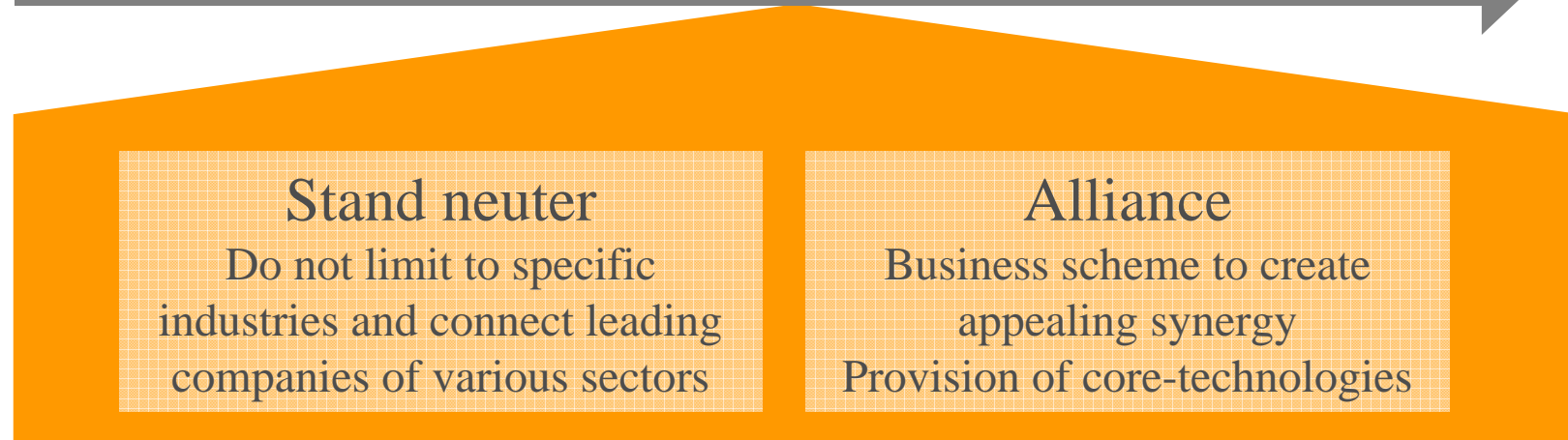
Internet



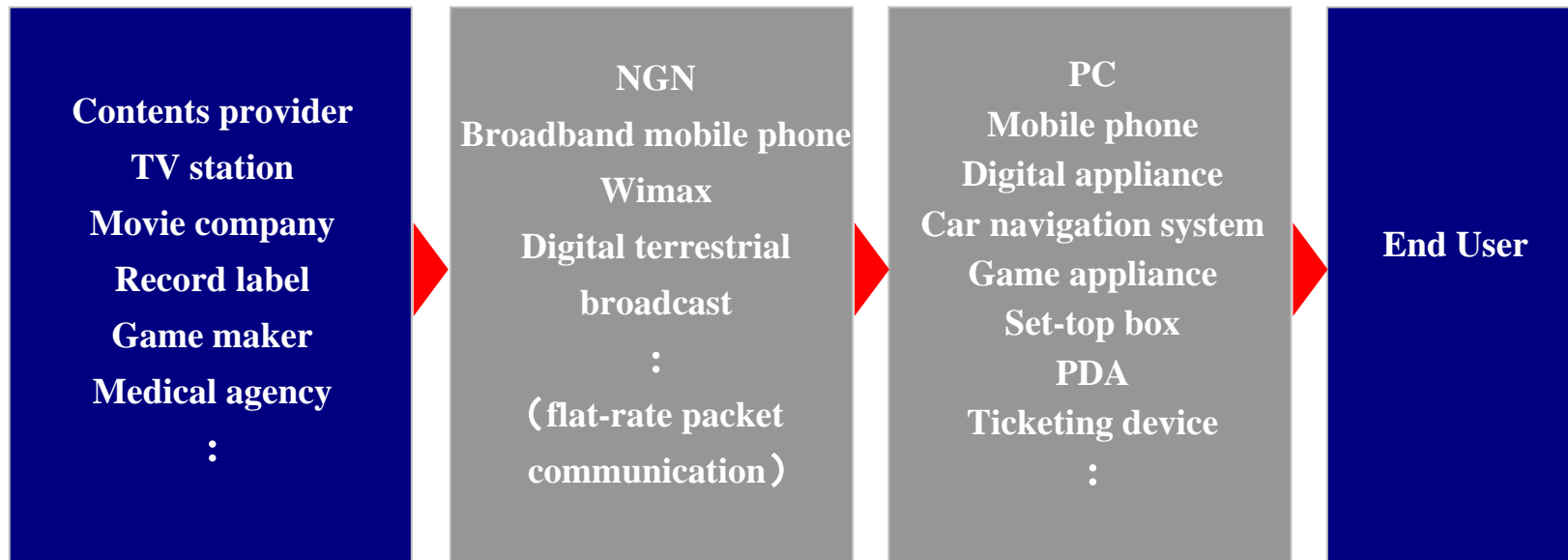
Computer



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Alliance Strategies



- Mobile
- Game
- Internet
- Computer
- Technology



Notice

This document and its supporting documents contain projections of our company’s future performance. These are estimates by the management of Faith based on currently available information. There are potential risks and uncertainties that may affect the results. Please be advised that actual performance may differ significantly from the forecast.



Mobile



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Appendix



Mobile



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FY08 1H Consolidated Financial Results by Segment (year-on-year change)

(million yen)



	FY07 1H	FY08 1H	Year-on- year change	Year-on- year change	Causes for Year-on-year change	FY08 Plan	Progress ratio
Net Sales	23,452	25,291	1,838	7.8%		54,600	46.3%
Content	8,345	6,592	▲ 1,752	-21.0%	Decrease the revenue from ringtone solution △approx. \700 million (Faith: △approx. \400 million, GIGA Networks: △approx. \300 million) Decrease from overseas business realignment △approx. \900 million (disposal of US content distribution business: △approx. \430 million, disposal of TakeNET: △\350 million, liquidation of Faith Technologies: △approx. \120 million)	14,700	44.9%
Electronic Payment	14,300	17,998	3,697	25.9%	Continuous rise in amount of settlement, mainly in online game	38,300	47.0%
Others	805	700	▲ 105	-13.1%		1,600	228.6%
Operating Profit	1,066	907	▲ 158	-14.9%		1,000	90.8%
Content	785	732	▲ 52	-6.7%	Decrease the revenue from ringtone solution △approx. \700 million Increase from reduction of advertisement approx. \300 million Increase from disposal of overseas subsidiaries in red figure approx. \100 million Decrease of goodwill amortization approx. 50 million Efficient business operation	580	126.3%
Electronic Payment	236	150	▲ 86	-36.5%	Cost for development and operation of new services Increase of cost to enhance management structure	320	46.9%
Others	45	25	▲ 19	-43.5%		100	25.5%
Recurring Profit	884	741	▲ 143	-16.2%		800	92.7%
Net Income	960	287	▲ 673	-70.1%		100	287.5%



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FY08 1H Consolidated Financial Results



(million yen)

	FY08 1H Planned	FY08 1H Result	Diff. of Forecast (Amount)	Diff. of Forecast (%)	Cause for year-on-year change	FY08 Plan	Progress ratio
Net Sales	25,700	25,291	▲ 409	-1.6%	Delay in launch of service or solution of domestic content business into the second half of the fiscal year	54,600	46.3%
Operating Profit	400	907	507	126.8%	Delay in account processing of expenses for development, advertisement and content procurement for domestic content business into the second half of the fiscal year	1,000	90.7%
Recurring Profit	300	741	441	147.0%	Increase in operating profit, etc.	800	92.6%
Net Profit	40	287	247	617.5%	Increase in recurring profit, etc.	100	287.0%



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FY08 1H Consolidated Financial Forecasts by Segment

(million)



	FY07	FY08 Initial Plan	FY08 Revised Plan	Year-on- year change	Year-on- year change	Causes for year-on-year change
Net Sales	50,192	57,000	54,600	4,408	8.8%	
Content Distribution Services	16,264	14,700	14,700	▲ 1,564	-9.6%	Decrease of overseas business(disposal of TakeNET, liquidation of Faith Technologies) △approx. \1.1 billion Decrease the revenue from ringtone solution △approx. \700 million Increase of domestic contents business
Electronic Payment Business	32,389	40,700	38,300	5,911	18.3%	Increase of settlement amount due to demand increase *(Compare to the initial forecast)Revision based on the settlement condition of affiliated stores
Others	1,538	1,600	1,600	62	4.0%	
EBITDA	5,285	4,200	4,000	▲ 1,285	-24.3%	
Content Distribution Services	4,579	3,300	3,380	▲ 1,199	-26.2%	Prior investment in development of NFRM distribution platform and in implement of production and procurement of rich-contents
Electronic Payment Business	643	800	520	▲ 123	-19.1%	Cost for development and operation of new services Increase of cost to enhance management structure *(Compare to the initial forecast) Delay in enforcement of new services and reducing existing distribution channel
Others	64	100	100	36	56.3%	
Operating Profit	2,266	1,200	1,000	▲ 1,266	-55.9%	
Content Distribution Services	1,674	500	580	▲ 1,094	-65.4%	Prior investment in development of NFRM distribution platform and in implement of production and procurement of rich-contents
Electronic Payment Business	527	600	320	▲ 207	-39.3%	Cost for development and operation of new services Increase of cost to enhance management structure *(Compare to the initial forecast) Delay in enforcement of new services and reducing existing distribution channel
Others	63	100	100	37	58.7%	
Recurring Profit	1,909	1,000	800	▲ 1,109	-58.1%	Decrease in operating profit
Net Income	537	100	100	▲ 437	-81.4%	Decrease in recurring profit



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FY08 1H Consolidated Financial Results by Segment



(million)

	Interim FY Mar 2004	Interim FY Mar 2005	Year-on- year change (Amount)	Year-on- year change (%)	Interim FY Mar 2006	Year-on- year change (Amount)	Year-on- year change (%)	Interim FY Mar 2007	Year-on- year change (Amount)	Year-on- year change (%)	Interim FY Mar 2008	Year-on- year change (Amount)	Year-on- year change (%)	Interim FY Mar 2009	Year-on- year change (Amount)
Net Sales	4,919	10,521	5,602	113.8%	13,249	2,727	25.9%	20,193	6,944	52.4%	23,452	3,258	16.1%	25,291	1,838
Content-distribution Services	4,860	5,390	530	10.9%	6,373	983	18.2%	8,542	2,169	34.0%	8,345	▲ 196	-2.3%	6,592	▲ 1,752
Service Business	4,315	4,338	23	0.5%	5,376	1,038	23.9%	7,603	2,227	41.4%	7,377	▲ 226	-3.0%	0	▲ 7,377
License Business	545	1,051	506	92.8%	997	▲ 54	-5.1%	939	▲ 57	-5.7%	968	29	3.1%	0	▲ 968
Electronic Payment Business	—	5,127	5,127	—	6,854	1,726	33.6%	9,891	3,037	44.3%	14,300	4,409	44.6%	17,998	3,697
MVNO Business	—	—	—	—	—	—	—	1	—	—	—	▲ 1	—	—	—
EBITDA	—	2,230	—	—	2,466	236	10.5%	2,185	▲ 281	-11.3%	2,569	384	17.6%	2,331	▲ 238
Content-distribution Services	—	2,279	—	—	2,399	120	5.2%	2,624	225	9.3%	2,234	▲ 390	-14.9%	2,067	▲ 167
Electronic Payment Business	—	▲ 50	—	—	53	103	—	267	214	403.7%	295	28	10.5%	236	▲ 59
MVNO Business	—	0	—	—	—	—	—	▲ 723	—	—	—	723	—	—	—
Operating Profit	2,529	1,909	▲ 619	-24.4%	1,940	30	1.6%	644	▲ 1,296	-66.7%	1,066	422	65.6%	907	▲ 158
Content-distribution Services	—	2,016	—	—	1,931	▲ 85	-4.2%	1,285	▲ 646	-33.4%	785	▲ 500	-38.9%	732	▲ 52
Electronic Payment Business	—	▲ 106	—	—	▲ 5	101	—	210	215	—	236	26	0	150	▲ 86
MVNO Business	—	—	—	—	—	—	—	▲ 825	—	—	—	825	—	—	—
Recurring profit	2,441	1,939	▲ 501	-20.5%	2,027	88	4.5%	563	▲ 1,464	-72.2%	884	321	57.0%	741	▲ 143
Net Income	1,291	1,014	▲ 276	-21.4%	889	▲ 124	-12.2%	▲ 653	▲ 1,542	—	960	1,613	—	287	▲ 673



Mobile



Game



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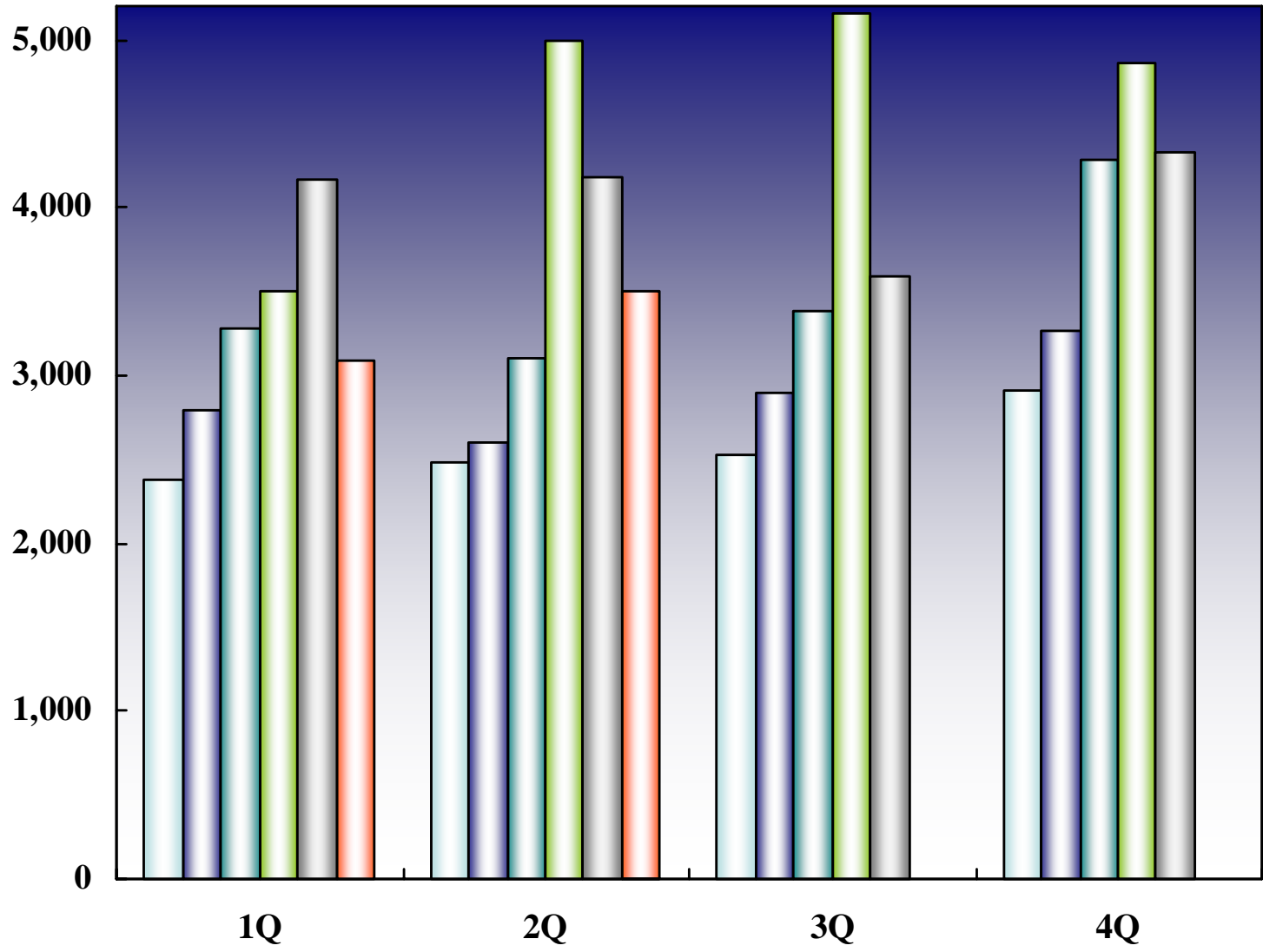


Technology

Quarterly Net Sales for the Contents Business



Net Sales : million yen



- FY03
- FY04
- FY05
- FY06
- FY07
- FY08



Mobile



Game



Internet



Computer



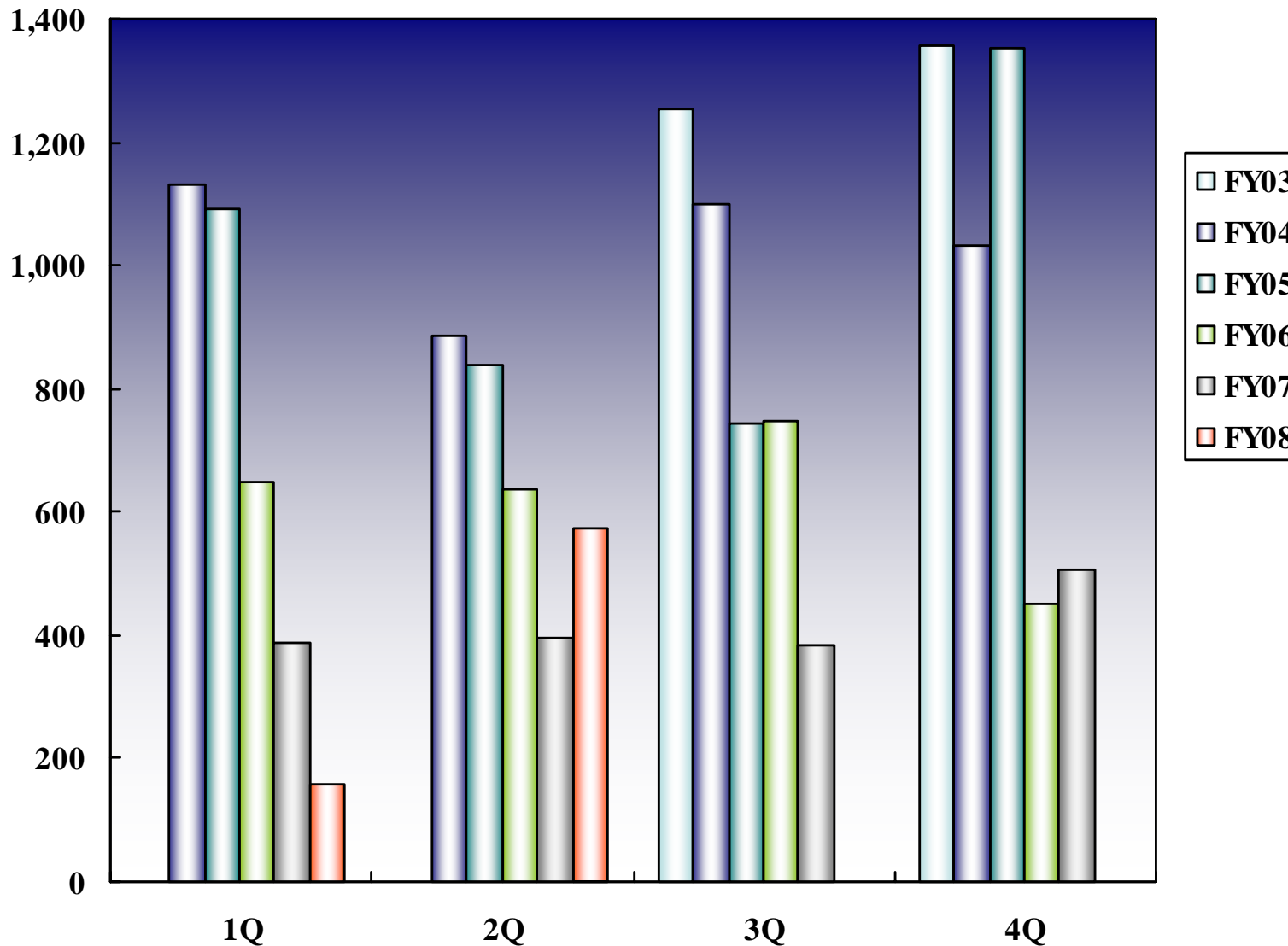
Technology

(Note) The chart above shows the difference of the accumulated data in 2Q, 3Q and 4Q in order for better understanding of transition and tendency. Only accumulated data is disclosed as quarterly figure.

Quarterly Operating Profit for the Contents Business



Profit : million yen



(Note) The chart above shows the difference of the accumulated data in 2Q, 3Q and 4Q in order for better understanding of transition and tendency. Only accumulated data is disclosed as quarterly figure.



Mobile



Game



Internet



Computer

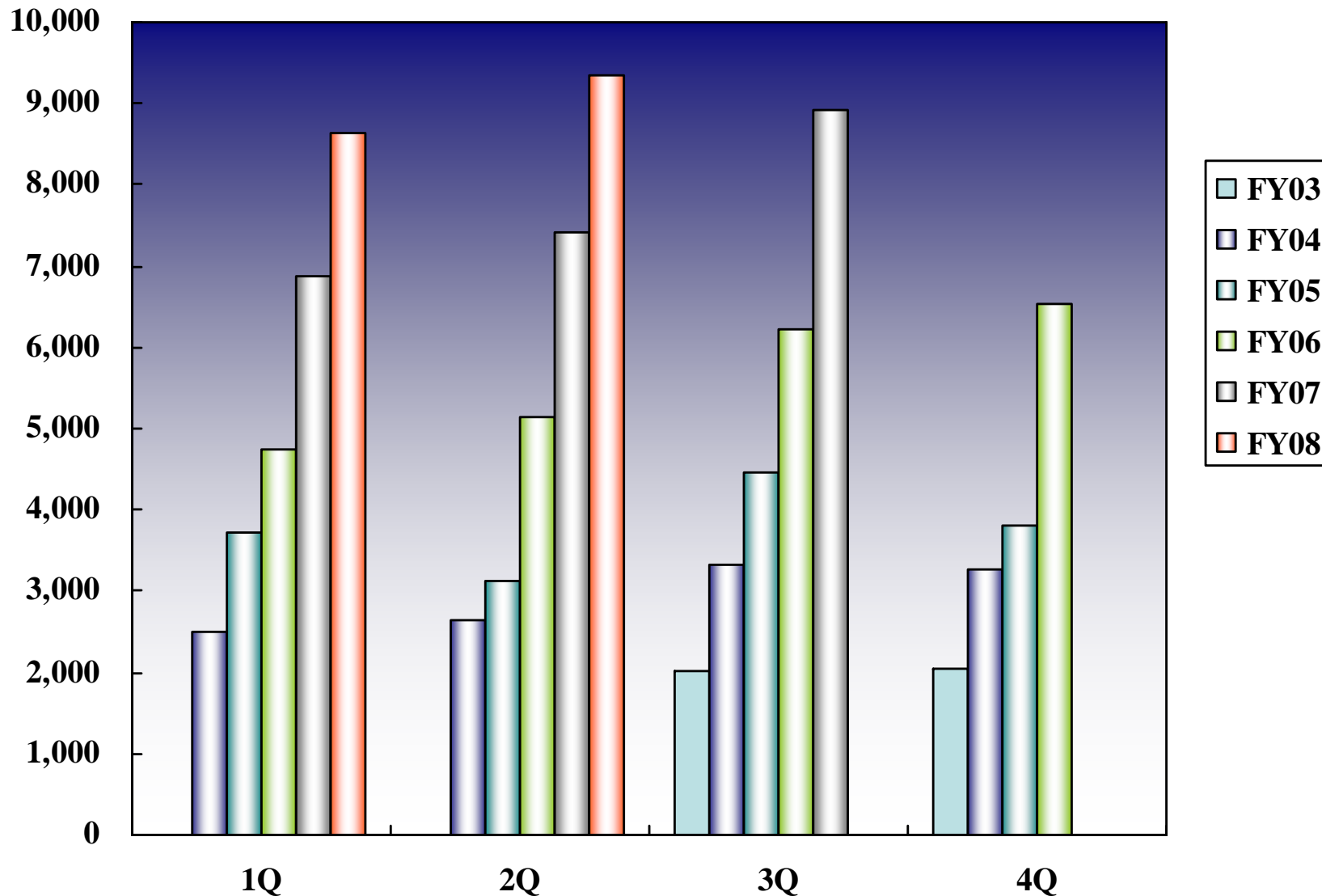


Technology

Quarterly Net Sales for the Electronic Money Business



Net sales : million yen



(Note) The chart above shows the difference of the accumulated data in 2Q, 3Q and 4Q in order for better understanding of transition and tendency. Only accumulated data is disclosed as quarterly figure.



Mobile



Game



Internet



Computer

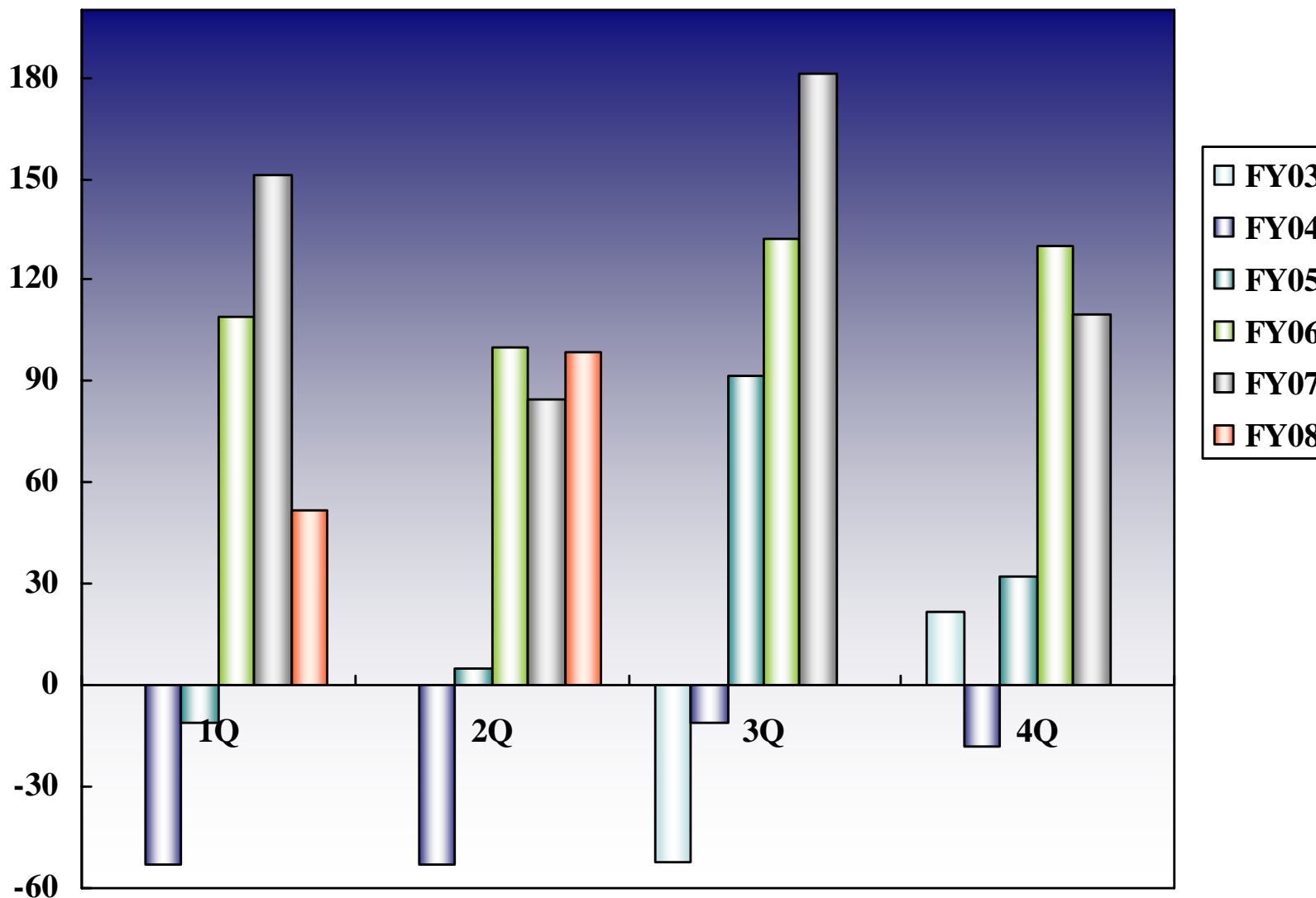


Technology

Quarterly Operating Profit for the Electronic Money Business



Profit : million yen



Mobile



Game



Internet



Computer



Technology

(Note)The chart above shows the difference of the accumulated data in 2Q, 3Q and 4Q in order for better understanding of transition and tendency. Only accumulated data is disclosed as quarterly figure.

Quarterly Consolidated Financial Results by Segment



(million)

	FY03				FY04				FY05			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net Sales	2,416	2,503	4,564	5,188	5,281	5,240	6,569	6,537	7,007	6,242	7,861	8,929
Content	2,385	2,475	2,526	2,913	2,786	2,604	2,889	3,270	3,278	3,095	3,384	4,282
Electric Payment	—	—	2,027	2,057	2,491	2,636	3,337	3,259	3,721	3,133	4,457	3,794
MVNO	—	—	—	—	—	—	—	—	—	—	0	0
Others	31	28	11	218	4	0	342	7	8	13	19	852
Operating Profit	1,196	1,333	1,192	1,394	1,077	832	1,090	1,017	1,086	854	546	904
Content	—	2,523	1,254	1,356	1,131	885	1,101	1,034	1,092	839	743	1,354
Electric Payment	—	—	▲ 52	22	▲ 53	▲ 53	▲ 11	▲ 18	▲ 11	5	92	32
MVNO	—	—	—	—	—	—	—	—	—	—	▲ 297	▲ 409
Others	—	6	▲ 10	16	▲ 1	1	0	2	5	9	7	▲ 73
Recurring Profit	1,206	1,235	1,179	1,393	1,090	849	1,060	1,047	1,145	882	575	852
Net Income	613	678	630	779	623	391	554	▲ 1,252	513	376	138	410



Mobile



Game



Internet



Computer



Technology

	FY06				FY07				FY08	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Net Sales	8,636	11,557	11,916	12,042	11,469	11,982	12,867	13,872	12,070	13,220
Content	3,506	5,035	5,139	4,890	4,165	4,180	3,588	4,330	3,090	3,502
Electric Payment	4,747	5,144	6,231	6,528	6,882	7,418	8,926	9,162	8,637	9,360
MVNO	0	1	4	18	—	—	—	—	—	—
Others	382	1,375	540	606	421	384	352	380	342	357
Operating Profit	350	294	383	32	561	505	580	619	210	697
Content	650	635	749	449	389	396	383	506	157	574
Electric Payment	109	100	132	130	151	85	181	110	51	98
MVNO	▲ 361	▲ 463	▲ 454	▲ 553	—	—	—	—	—	—
Others	▲ 49	22	▲ 45	7	20	24	15	3	1	24
Recurring Profit	254	308	340	▲ 50	406	477	594	429	148	593
Net Income	▲ 102	▲ 550	▲ 3,132	1,902	971	▲ 10	345	▲ 768	146	140

(Note) The chart above shows the difference of the accumulated data in 2Q, 3Q and 4Q in order for better understanding of transition and tendency. Only accumulated data is disclosed as quarterly figure.

Amortization of Goodwill



(million)

	FY04	FY05	FY06	FY07		FY08		Years of amortization	End of amortization
				1H	Full Year	1H	Full Year (Plan)		
WebMoney	82	82	82	22	84	36	73	10 year	2013/9
Digiplug	239	—	—	—	—	—	—	—	—
TakeNet	—	531	424	—	—	—	—	—	—
Faith Communications	—	63	94	—	—	—	—	—	—
Goody Point	—	39	39	—	—	—	—	—	—
GIGA Networks	—	—	1,771	531	2,125	1,062	2,125	5 Year	2011/5
Brave	—	—	—	—	3	1	3	5 Year	2012/3
MVP	—	—	—	1	4	2	4	5 Year	2012/3
Media Complex	—	—	—	—	11	7	15	5 Year	2012/6
Others	—	—	217	54	217	59	59	—	—
Total	322	715	2,627	2,021	2,444	1,168	2,278	—	—



Mobile



Game



Internet



Computer



Technology

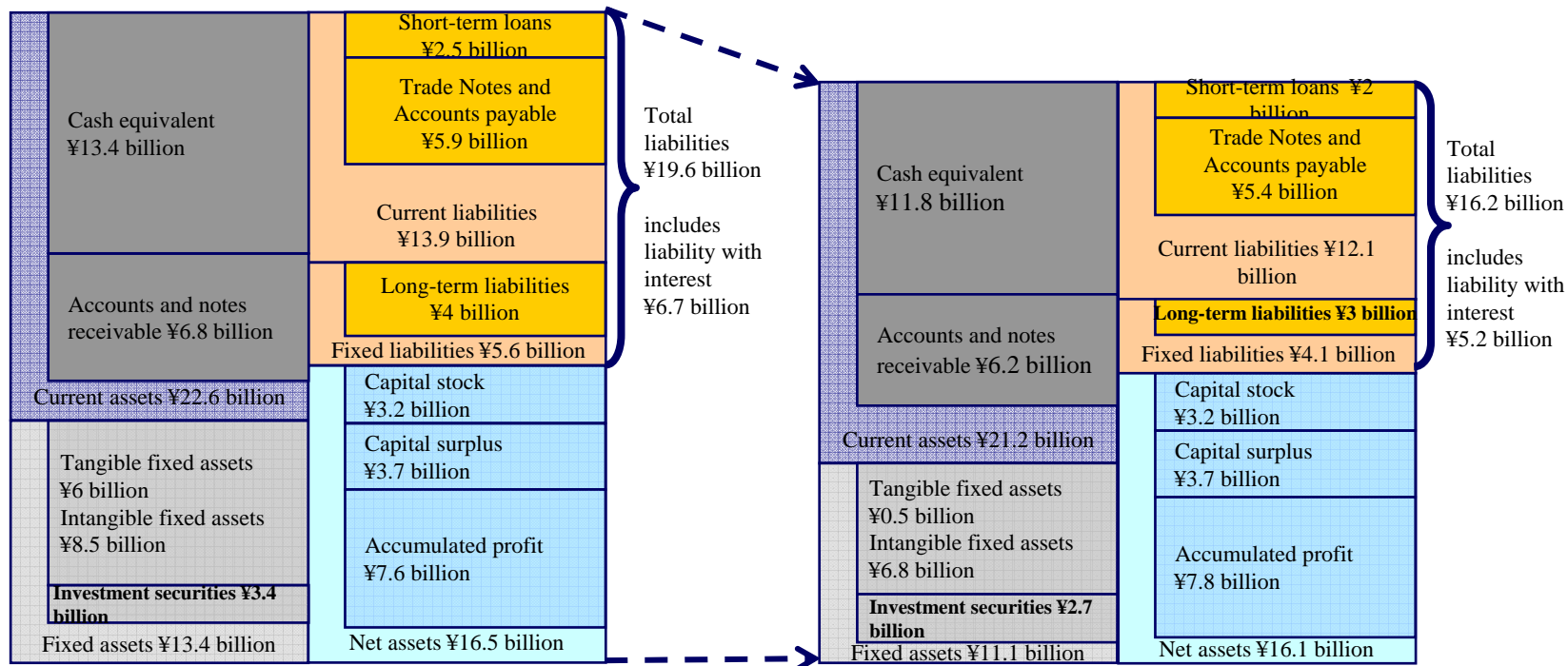
- Digiplug: one-time depreciation of unamortized balance 1,936 million yen in FY04 (recorded asextraordinary loss)
- Goodypoint: one-time depreciation of unamortized balance 308 million yen in interim FY06 (recorded asextraordinary loss)
- TakeNET: one-time depreciation of unamortized balance 2,218 million yen in 3Q FY06 (recorded asextraordinary loss)
- Faith Communications: one-time depreciation of unamortized balance 462 million yen in 3Q FY06 (recorded asextraordinary loss)

Consolidated Balance Sheet (year-on-year change)



End of March 2008

End of September 2008



Total assets 36.1 billion yen

Total assets 32.3 billion yen



Mobile



Game



Internet

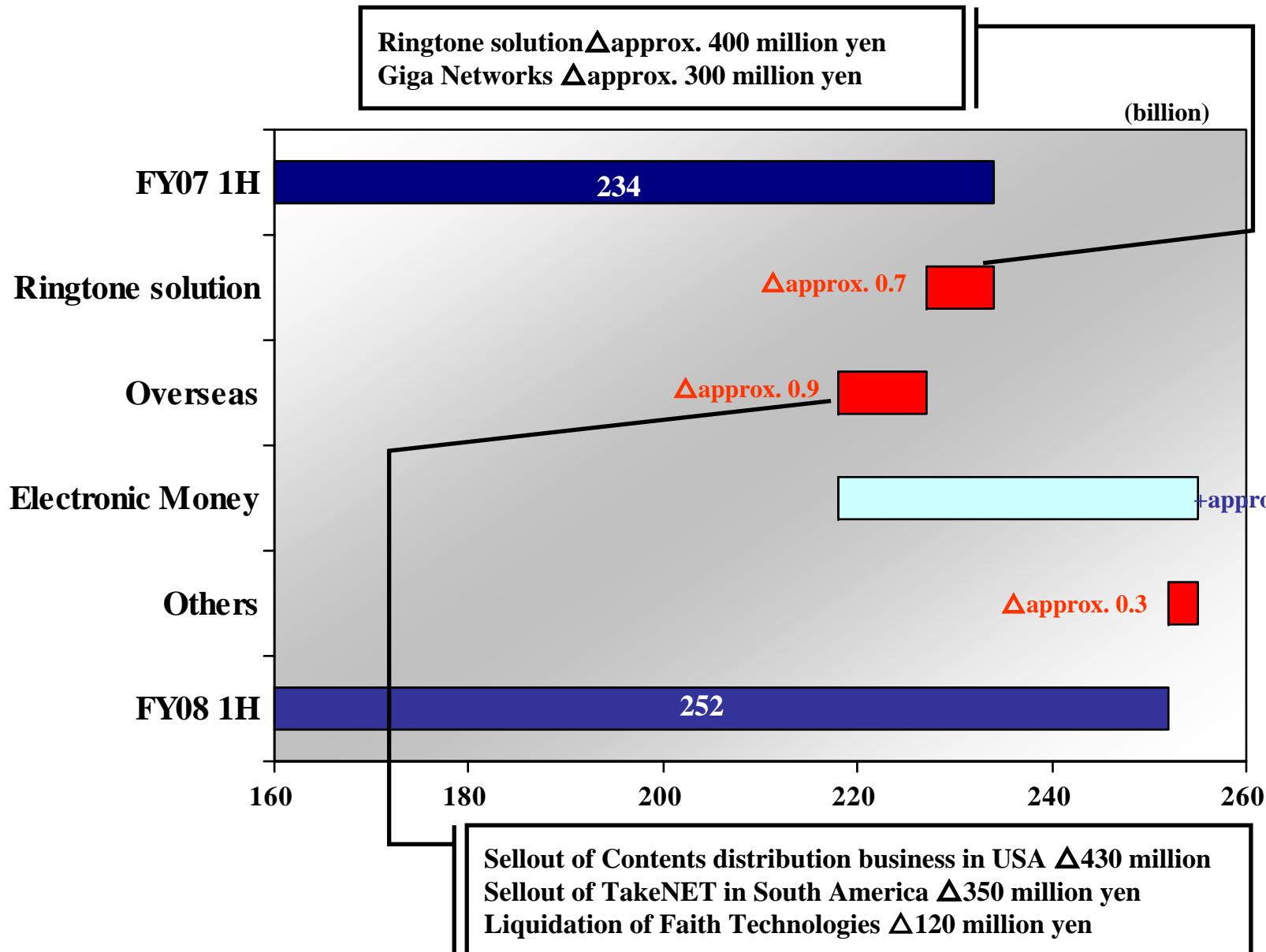


Computer



Technology

FY08 1H Consolidated Net Sales (year-on-year basis)



Mobile



Game



Internet

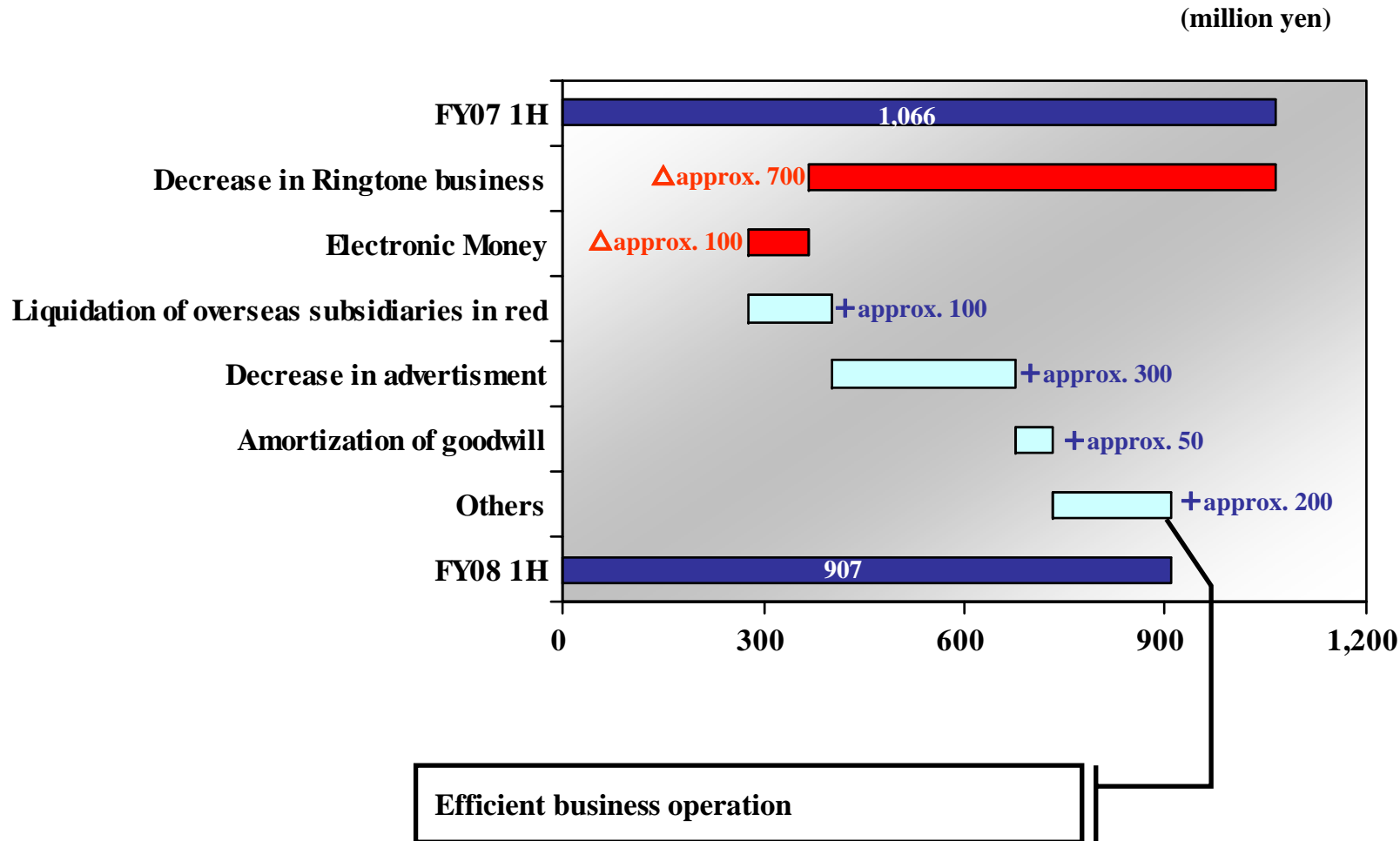


Computer



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FY08 1H Operating Profit (year-on-year basis)



Mobile



Game



Internet



Computer



Technology

FY08 1H Recurring Profit (year-on-year basis)



Mobile



Game



Internet

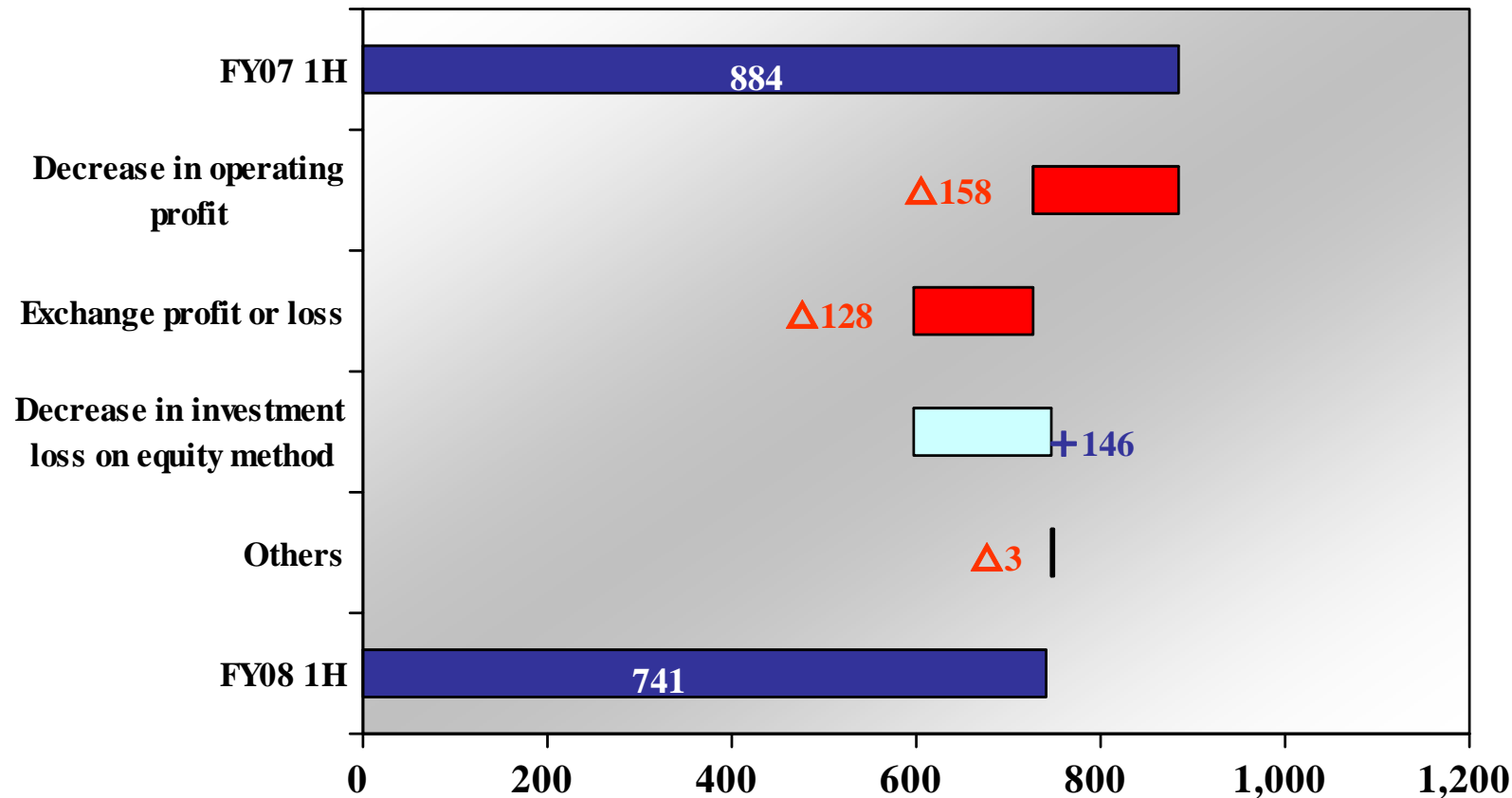


Computer



Technology

(million yen)



FY08 1H Net Profit (year-on-year basis)

FY07:
Profit on sale of real estate

FY07: Gain on sellout of Faith West,
contents distribution business in USA

(million yen)



Mobile



Game



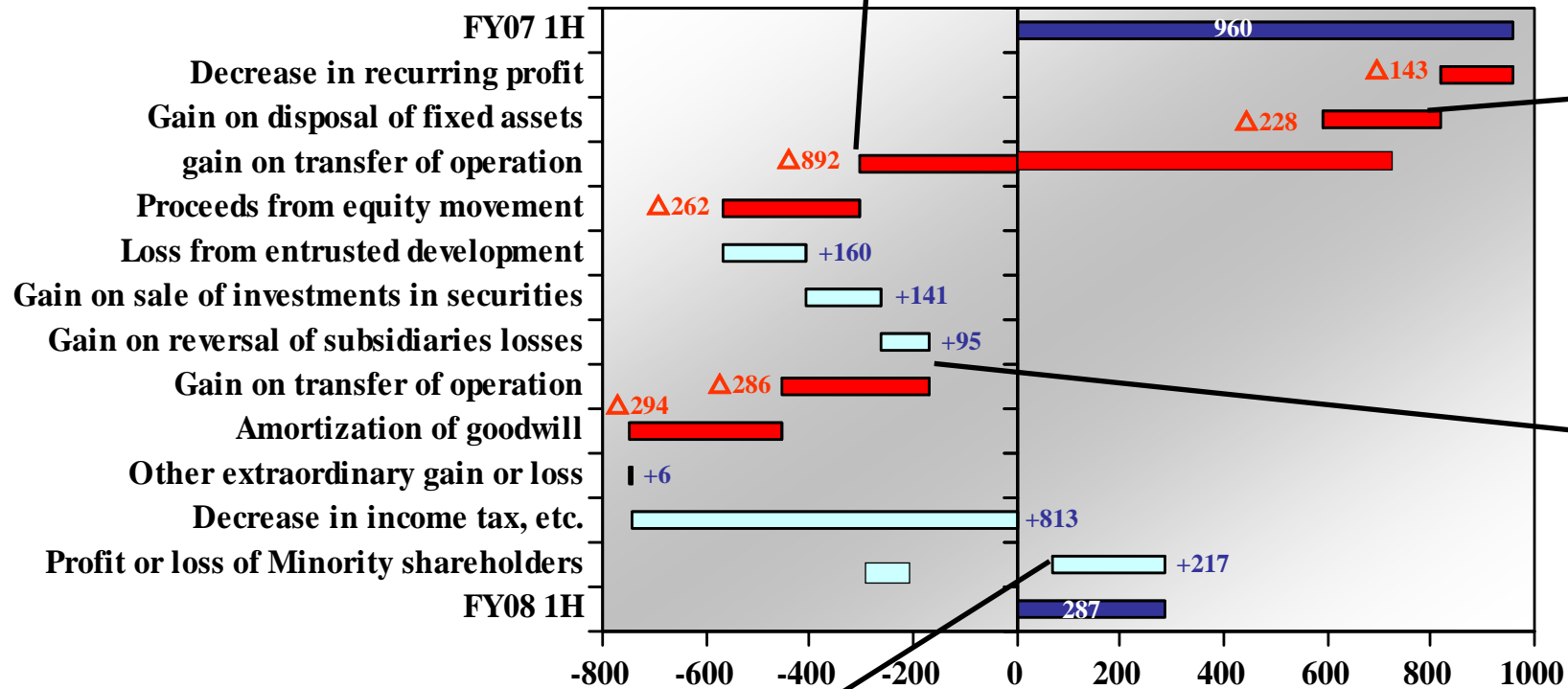
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Computer



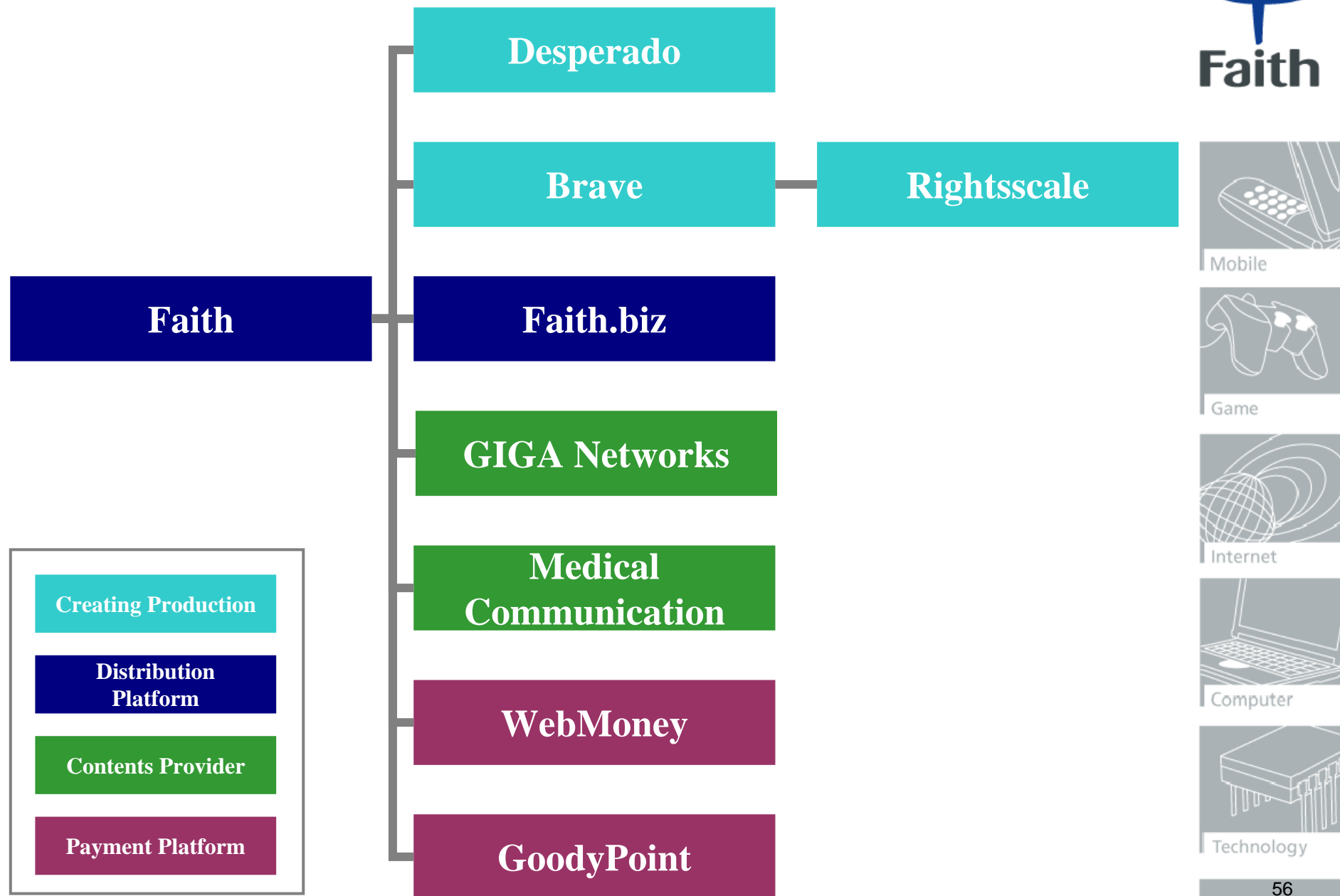
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FY07: Gain on inority interests 98
FY08: Loss on Minority interests 119

FY08: Loss from disposal of business
at WebMoney, subsidiary 286

Major Faith Group Companies in Japan



Mobile



Game



Internet



Computer



Technology

Outline of Faith Group - 1



Content Creation and Production



Desperado

In addition to the traditional production investments in movies, Desperado undertakes the production and distribution of the videos other than films. It enables the company to establish new scheme which does not depend on the existing distribution route. Joint Venture with Amuse Group (Faith holds 60% of its shares)



Brave

Targeting the 10 million subscribers of music services of Faith Group and Taito Corp., Brave produces the music creation, promotion, and other music business of next generation. (Faith holds 60% of its shares, Taito Corp. 30%, and Square Enix Co., Ltd. 10%)



Rightsscale

Provides with solution to the music distribution industry for PC and mobile phone such as iTunes Store. The operation ranges from delivery of content to royalty payment.

Distribution Platform



Faith.biz

Development, construction, and operation of the software, system, network etc. related to the provision of content distribution services and the provision of distribution platform technologies for Faith Group, and other companies. Split off from Faith.



Faith West

It expands the business of technology development and licensing in North America.



Mobile



Game



Internet



Computer




Technology

Outline of Faith Group - 3





Payment Settlement Platform

 **WebMoney**
Issuance of electronic money and provision of electronic settlement platforms used for online game and other digital content distributions.

 **GoodyPoint**
Provision of point card systems

Content Provider in Japan

 **GIGA Networks**
It provides content distribution service for mobile phone, and has No.2 shares in i-mode ringtone business with 3 million paid subscribers.
(Faith holds 95.4% of its shares, Yoshimoto Kogyo holds 4.6%)

 **Medical Communication**
Distribution of various medical service and information through mobile phone service and information through mobile phone
(Faith holds 60% of its shares)



Mobile



Game



Internet



Computer



Technology