

Summary of Business Results for the First Quarter of the Year Ending July 2010

December 14, 2009

Company **TYO Inc**
 Stock Code 4358
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 Expected date of filing of quarterly report: December 14, 2009
 Expected starting date of dividend payment: —

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(Rounded down to million yen)

1. Consolidated business results for the three months ended October 2009

(August 1, 2009 through October 31, 2009)

(1) Consolidated results of operations

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Oct 2009	6,145	(9.8)	70	—	(15)	—	(262)	—
Three months ended Oct 2008	6,814	—	(159)	—	(249)	—	(571)	—

	Net income per share		Diluted net income per share	
	Yen		Yen	
Three months ended Oct 2009	(9.47)		—	
Three months ended Oct 2008	(20.06)		—	

(2) Consolidated financial position

	Total assets		Net assets		Shareholders' equity ratio		Net assets per share	
	Million yen		Million yen		%		Yen	
As of Oct 2009	23,856		1,165		(0.1)		(1.02)	
As of Jul 2009	22,965		1,399		0.8		6.41	

(Reference) Shareholders' equity

As of October 2009: (28) million yen

As of July 2009: 177 million yen

2. Dividends

	Dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended Jul 2009	—	—	—	—	—
Year ending Jul 2010	—	—	—	—	—
Year ending Jul 2010 (forecast)	—	—	—	2.00	2.00

(Note) Revisions to dividend forecast for the current quarter: None

3. Forecast of consolidated business results for the year ending July 2010

(August 1, 2009 through July 31, 2010)

(% change from the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	
For the six months ending Jan 2010	13,000	(16.9)	300	(3.4)	150	5.6	30	—	1.08	
Year ending Jul 2010	29,000	(1.6)	900	123.9	650	417.7	150	—	5.41	

(Note) Revisions to consolidated business forecast for the current quarter: None

4. Others

(1) Changes in significant subsidiary during the period (changes in specified subsidiary accompanying changes in the scope of consolidation): None

New subsidiary: —

Excluded: —

(2) Applications of simplified accounting procedures and accounting procedures unique to the preparation of quarterly consolidated financial statements: Yes

(3) Changes in rules, procedures and indication methods of accounting process concerning the preparation of quarterly consolidated financial statements (Changes to important items that form the basis for preparing quarterly consolidated financial statements)

① Changes due to revision of accounting standards: Yes

② Changes other than ①: None

(4) Shares outstanding (common stock)

① Number of shares outstanding at the end of period (treasury stock included)

As of October 2009: 32,611,880 shares

As of July 2009: 32,611,880 shares

② Treasury stock at the end of period

As of October 2009: 4,887,462 shares

As of July 2009: 4,887,462 shares

③ Average number of stock during period (quarterly consolidated cumulative period)

Three months ended October 2009: 27,724,418 shares

Three months ended October 2008: 28,510,495 shares

* **Explanation regarding appropriate use of business forecasts and other special instructions**

Projected net income per share is calculated based on 27,724,418 shares outstanding at the end of year (after deducting treasury stock).

Above forecasts regarding future performance are based on information and assumptions at the time this report was prepared. Actual results may differ from the forecasts due to various factors.

Segment information

Operating segment information

Previous first quarter (from August 1, 2008 to October 31, 2008)

(Thousand yen)

	Advertising business	WEB business	Entertainment business	Contents Solutions business	Total	Eliminations or corporate	Consolidated
I Sales & operating income							
Sales							
(1) Sales to external customer	3,233,079	754,862	2,605,440	220,721	6,814,104	—	6,814,104
(2) Inter-segment sales and transfers	33,757	41,550	11,289	190,025	276,622	(276,622)	—
Total	3,266,837	796,412	2,616,729	410,747	7,090,726	(276,622)	6,814,104
Operating income (loss)	113,118	(161,987)	(53,286)	46,457	(55,697)	(103,673)	(159,371)

(Note) The operating results of WEB business include the operating results of International business.

Current first quarter (from August 1, 2009 to October 31, 2009)

(Thousand yen)

	Avertising business	WEB business	Entertainment business	Contents Solutions business	Total	Eliminations or corporate	Consolidated
I Sales & operating income							
Sales							
(1) Sales to external customer	4,099,114	721,155	1,198,826	126,100	6,145,196	—	6,145,196
(2) Inter-segment sales and transfers	79,034	53,278	10,815	342,801	485,929	(485,929)	—
Total	4,178,148	774,433	1,209,641	468,901	6,631,126	(485,929)	6,145,196
Operating income (loss)	299,052	(117,635)	(98,102)	30,722	114,036	(43,453)	70,582

(Note) 1. The operating results of WEB business include the operating results of International business

2. The major cause of significant decrease in Entertainment business sales compared with the same month a year earlier is due to the effect of a withdrawal from Game Software sector in the previous consolidated fiscal year.