

Summary of Business Results for FY March 2008 (Consolidated)

Date: May 8, 2008

Company **D3 INC.**
 Stock Code 4311
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 Date of annual shareholders' meeting: June 20, 2008
 Date of filing of annual securities report: June 23, 2008

Listed on the JASDAQ
 URL: <http://www.d3i.co.jp>

TEL: 03-5428-8830
 Starting date of dividend payment: June 23, 2008

(Note: Rounded down to ¥ Million)

1. Business Results as of FY March 2008 (April 1, 2007 to March 31, 2008)

(1) Results of Operations

(% change from the previous year)

	Net sales		Operating income		Ordinary income	
	¥ Million	%	¥ Million	%	¥ Million	%
March 2008	14,286	46.0	1,069	97.3	414	-30.3
March 2007	9,784	—	542	—	594	—

	Net income		Net income per share	Diluted net income per share	Ratio of net income to shareholders' equity	Ratio of ordinary income to total asset	Ratio of ordinary income to net sales
	¥ Million	%	¥	¥	%	%	%
March 2008	293	98.6	13,962.80	13,794.12	7.2	3.7	7.5
March 2007	147	—	7,039.77	6,978.54	3.8	8.5	5.5

(Reference) 1. Earnings/loss on investments in equity-method affiliates

Fiscal year ended March 2008: ¥ — million

Fiscal year ended March 2007: ¥ — million

(Note) Since the consolidated fiscal year ended March 2006 was an irregular 5-month accounting period, year-on-year changes for the fiscal year ended March 2007 are not presented.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	¥ Million	¥ Million	%	¥
March 2008	13,519	4,206	30.8	198,220.41
March 2007	8,804	4,019	45.5	190,887.71

(Reference) Shareholders' equity:

Fiscal year ended March 2008: ¥ 4,163 million

Fiscal year ended March 2007: ¥ 4,003 million

(3) Results of Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	¥ Million	¥ Million	¥ Million	¥ Million
March 2008	-2,222	-398	3,319	3,113
March 2007	-1,166	-16	2,572	2,694

2. Dividends

(Record date)	Dividend per share		Total dividend (Annual)	Dividend payout ratio (Consolidated)	Rate of total dividend to net assets (Consolidated)
	Year-end	Annual			
	¥	¥	¥ Million	%	%
March 2007	600.00	600.00	12	8.5	0.3
March 2008	2,800.00	2,800.00	58	20.1	1.4
March 2009 (forecast)	2,600.00	2,600.00	—	9.9	—

3. Forecast of Financial Performance for the Year Ending March 2009

(April 1, 2008 to March 31, 2009)

(% change from the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%	¥
2Q consolidated cumulative period	4,846	21.9	-777	—	-809	—	-1,024	—	-48,785.33
Year ending Mar. 2009	15,382	7.7	1,206	12.8	1,155	179.0	550	87.7	26,185.87

4. Others

(1) Changes in important subsidiary during the period (changes in specified subsidiary due to changes in the scope of consolidation): Yes

New subsidiary: 1 (company name: Vicious Cycle Software, Inc.) Excluded: —

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

① Changes due to revision of accounting standards: Yes

② Changes other than ①: None

(3) Shares outstanding (common shares)

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

Fiscal year ended March 2008: 21,037 shares

Fiscal year ended March 2007: 21,006 shares

② Treasury stock at end of period:

Fiscal year ended March 2008: 32 shares

Fiscal year ended March 2007: 32 shares

(Reference) Summary of Non-consolidated Financial Results

1. Business Results as of FY March 2007 (April 1, 2007 to March 31, 2008)

(1) Results of Operations

(% change from the previous year)

	Net sales		Operating income		Ordinary income		Net income	
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%
March 2008	2,681	196.8	360	702.7	-45	—	166	149.2
March 2007	903	—	44	—	143	—	66	—

	Net income per share	Diluted net income per share
	¥	¥
March 2008	7,939.68	7,843.77
March 2007	3,189.55	3,161.81

(Note) Since the consolidated fiscal year ended March 2006 was an irregular 5-month accounting period, year-on-year changes for the fiscal year ended March 2007 are not presented.

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	¥ Million	¥ Million	%	¥
March 2008	11,692	4,630	39.3	218,619.66
March 2007	7,591	4,442	58.4	211,227.23

(Reference) Shareholders' equity:

Fiscal year ended March 2008: ¥ 4,592 million

Fiscal year ended March 2007: ¥ 4,430 million

2. Disclosure of non-consolidated business results

On April 1, 2006, the Company made the transition to a holding company structure through a company split. Since the bulk of sales now represent licensing fees, brand royalties and management fees, significant differences could arise between non-consolidated and consolidated sales forecasts. Furthermore, sales in the video-game industry, the Company's core area of operations, are characterized by seasonal fluctuations (such as a surge in sales toward the end of the year), which makes it difficult to reliably forecast business results. Since non-consolidated business forecasts could potentially mislead investors in their investment decisions we have suspended issuing non-consolidated business forecasts, effective from the current fiscal year.

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

Forecasts regarding future performance in these materials are based on information and assumptions at the time this report was prepared. Therefore, actual results may differ significantly from the forecasts.