

For Immediate Release

CCC Group full-year consolidated results for the year ended March 31, 2008

Ordinary income 15.1 billion yen (up 2.2% over the prior year)

Forecast for consolidated results for the year ending March 31, 2009:
ordinary income 16 billion yen, net income 8 billion yen

May 14, 2008 (Tokyo, Japan)—Culture Convenience Club Co., Ltd. (“CCC”), has reported its consolidated operating results for the full year ended March 31, 2008 as follows. Despite a reserve for accrued receivables in the credit card business operations, revenues tracked firmly, generating net sales of 237.7 billion yen (up 12.9% over the prior year) that delivered record ordinary income of 15.1 billion yen (up 2.2%). Net income fell to 2.9 billion yen (down 59.7%) as a consequence of goodwill write-downs associated with group company corporate revamping, but outperformed the revised figure announced on February 14.

Large Membership Base Expansion

6.95 million members added in 12 months, 34.3% increase over prior year

The number of T Card issuing locations surpassed 10,000, and contributed heavily to expanding the membership base. The T membership count rose markedly to 27.17 million as of Mar. 31, 2008 (6.95 million added in 12 months).

TSUTAYA Business Tracking Firmly

Store openings: 92; TSUTAYA DISCAS membership doubles

Total TSUTAYA locations numbered 1,327 as of March 31, 2008, with new store openings at 92 locations, an annual pace twice as rapid as the prior year. Net store growth for the period ending Mar. 31, 2009 is expected to be 75 (store openings at 125 locations). Moreover, the increase of PPT shipment contributed greatly to net sales. The prior year comp for annual existing store rental revenues tracked to 102.7% (98.5% across all categories).

With respect to Internet-based membership, TSUTAYA online (TOL) members rose to 13.48 million, up by 2.24 million in one year, and TSUTAYA DISCAS membership totaled 434,000, an increase by 211,000 in 12 months.

Card & Point Business Growing Successfully

T Point-associated sales increase dramatically

The T Point alliance expanded to include 43 companies and 29,000 locations, a net increase of ten partner companies over the prior year. New point alliance partners continue to join. T Point-associated sales rose dramatically, closed 30.3% higher in aggregate than the prior year, and contributed to large revenue growth. In addition, dual-function membership cards increased appreciably to 4.97 million issued, up 670,000 over the prior year, and are expected to surpass 5 million in May.

March 2009 Consolidated Annual Results Forecast:

Ordinary income 16 billion yen; net income 8 billion yen

Although there will be investment costs related to TSUTAYA online and the Recommendation businesses, consolidated annual results forecast for March 2009 are expected to be as follows: net sales of 250 billion yen, ordinary income of 16 billion yen (up 5.7% over the prior year), and net income of 8 billion yen, an increase of 72.9% over the prior year.

Full-Year Consolidated Operating Results for the Year Ended March 31, 2008

Full-Year Consolidated Operating Results for the Year Ended March 31, 2008 (million yen)

(Unit: million yen)	Year Ended Mar. 31, 2007	Year Ended Mar. 31, 2008	Prior Year Comps
Net Sales	210,615	237,730	112.9%
Operating Income	14,435	15,213	105.4%
Ordinary Income	14,807	15,133	102.2%
Net Income	7,281	2,931	40.3%

Main Factors Affecting Consolidated Ordinary Income

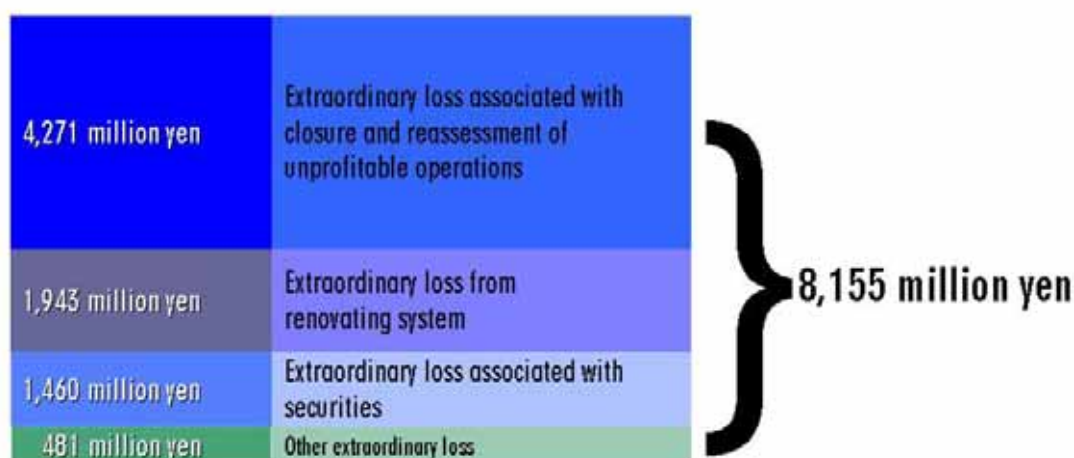
Positive Factors for Consolidated Ordinary Income vs. Prior Year

- Royalty and other revenue growth in Franchise business (Franchising Operations)
- Improved income at corporate stores (Store Operations)
- Point Loyalty business revenue growth (Card Operations)
- DISCAS business growth (Internet-Related Operations)

Negative Factors for Consolidated Ordinary Income vs. Prior Year

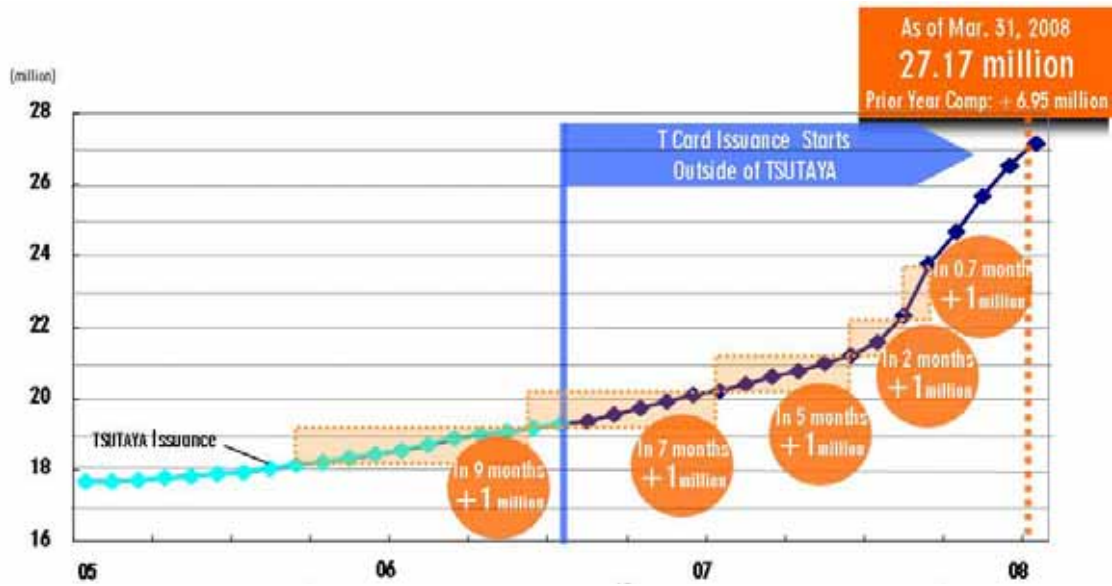
- New corporate store opening costs (Store Operations)
- Accrued receivables reserved for credit card issuance business (Card Operations)
- Consolidation impact of Sumiya (Store Operations)

Consolidated Extraordinary Income (Loss)



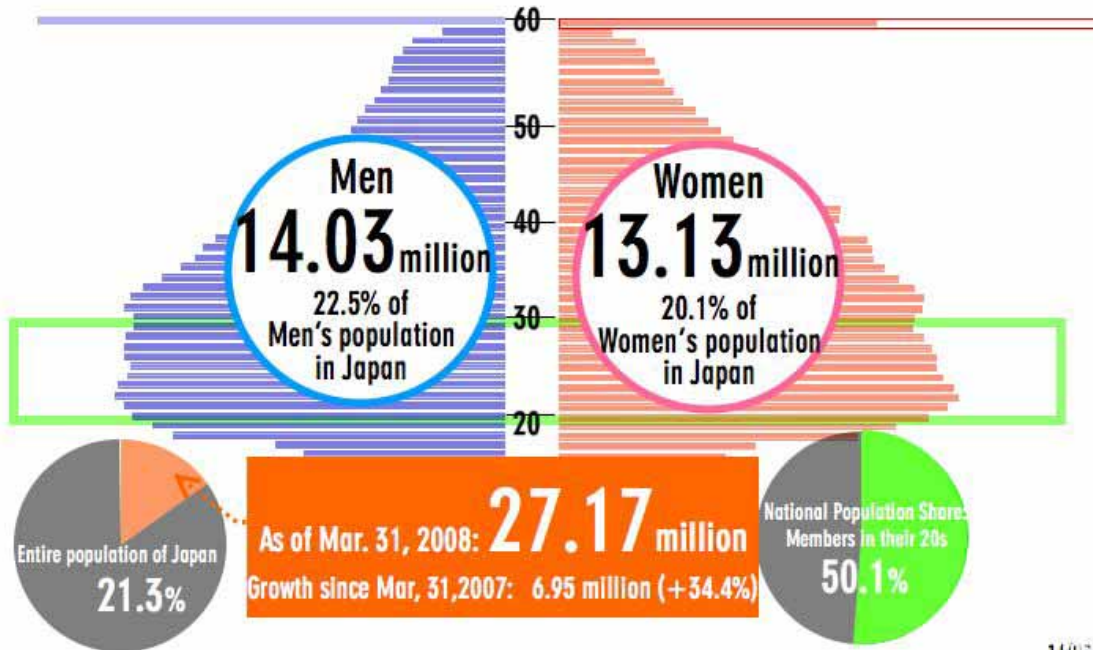
Membership Base

T Membership Growth



T Membership Demographics

50.1% of Japanese population in their 20's own a T Card



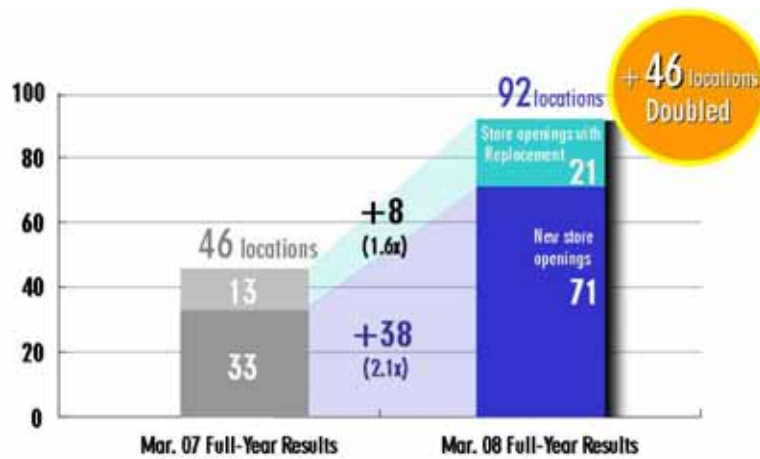
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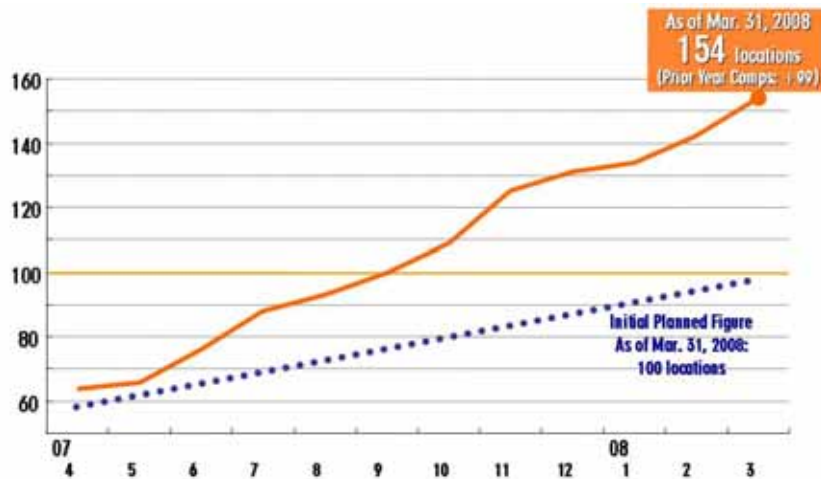
■ TSUTAYA Store Counts
(No. of stores)



■ Store Openings for the Year Ended Mar. 31, 2008
(No. of stores)



■ Rapid Growth of Stores Introducing Comic Rentals
(No. of stores)





Existing Store Revenues Prior Year Comps (%)

Full Year Existing Store Rental Revenues Prior Year Comp 102.7%
Existing store revenues prior year comp healthy for key rental category

Mar. 31, 2008

Apr '07-Mar '08 (%)	Q1	Q2	Q3	Jan	Feb	Mar	Q4	Fiscal Year Cumulative Total
Rental	107.2	105.0	100.7	98.1	102.3	95.2	98.3	102.7
Video	110.4	107.1	101.6	97.9	103.2	97.5	99.4	104.5
Music	95.5	95.6	95.3	96.4	96.7	85.2	92.3	94.7
CD & DVD Sales	94.1	95.5	90.9	94.3	87.7	84.8	88.7	92.0
Video	92.6	101.6	89.3	86.5	93.4	97.9	92.6	93.6
Music	95.0	92.2	91.9	99.3	84.9	78.5	86.7	91.1
Publication Sales	97.1	100.0	99.0	95.1	98.7	98.3	97.3	98.4
Game Sales	106.8	105.3	82.7	86.6	78.4	75.2	80.6	91.0
Total	102.1	101.8	96.3	95.6	96.3	91.6	94.3	98.5

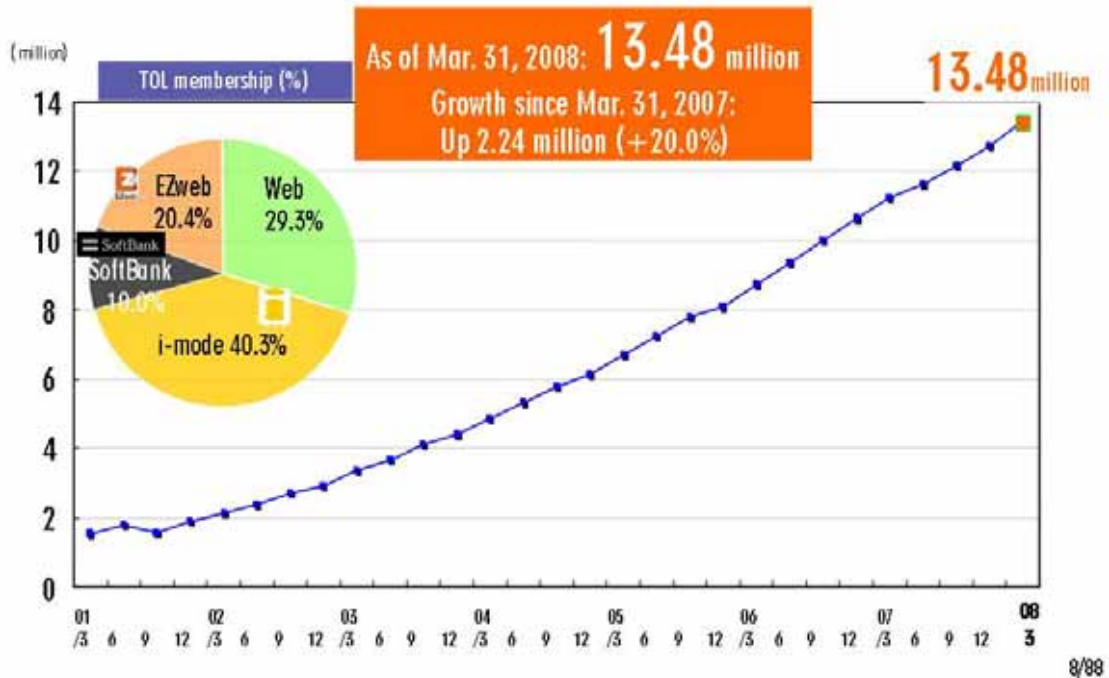
System-wide Revenues Prior Year Comps (%)

Full Year System-Wide Revenues Prior Year Comp for All Categories 107.8%

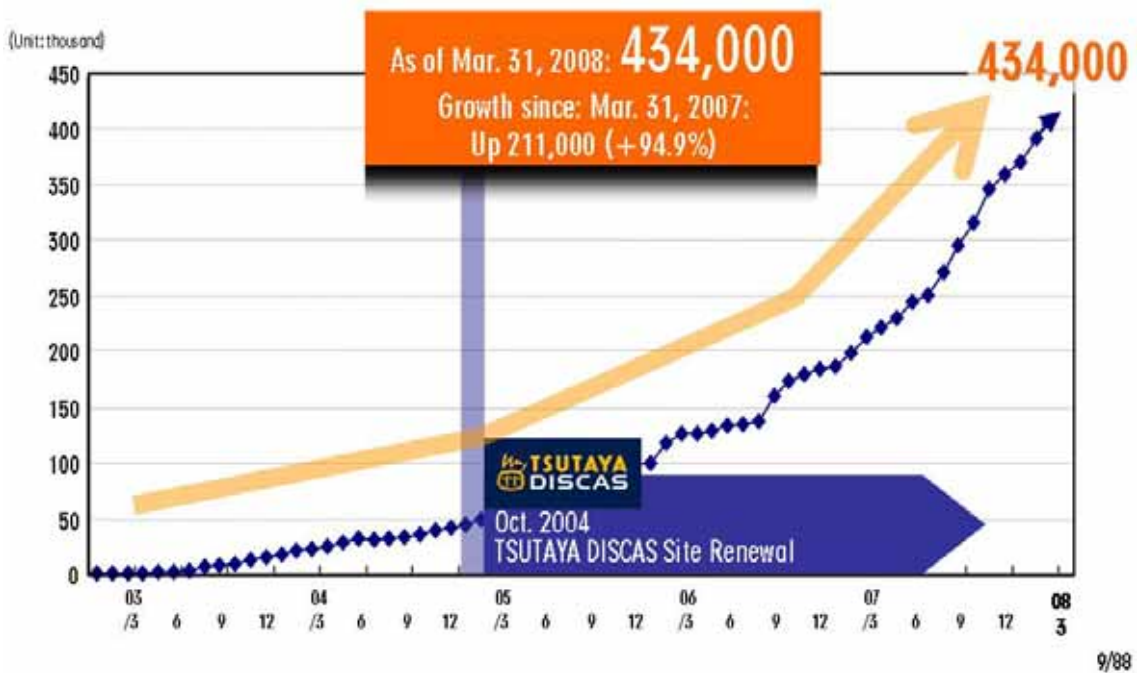
Mar.31, 2008

Apr '07-Mar '08 (%)	Q1	Q2	Q3	Jan	Feb	Mar	Q4	Fiscal Year Cumulative Total
Rental	108.5	106.9	103.5	101.1	105.6	98.6	101.6	105.1
Video	111.5	108.9	104.1	99.9	106.3	100.7	102.1	106.5
Music	96.8	97.5	98.1	99.3	99.8	88.1	95.3	96.9
CD & DVD Sales	116.6	123.7	109.2	106.7	98.7	94.6	99.6	111.4
Video	113.4	129.3	107.5	98.0	105.6	109.0	104.2	112.7
Music	118.2	119.5	110.2	112.1	95.1	87.6	97.1	110.3
Publication Sales	105.1	111.0	111.9	107.6	111.2	116.7	111.9	110.0
Game Sales	116.3	120.2	95.3	101.4	90.4	86.1	93.3	103.5
Used Sales	118.5	125.6	132.7	137.5	128.7	133.4	133.6	128.2
Total	110.3	112.5	106.4	104.4	104.3	100.5	103.0	107.8

TSUTAYA online Membership Growth



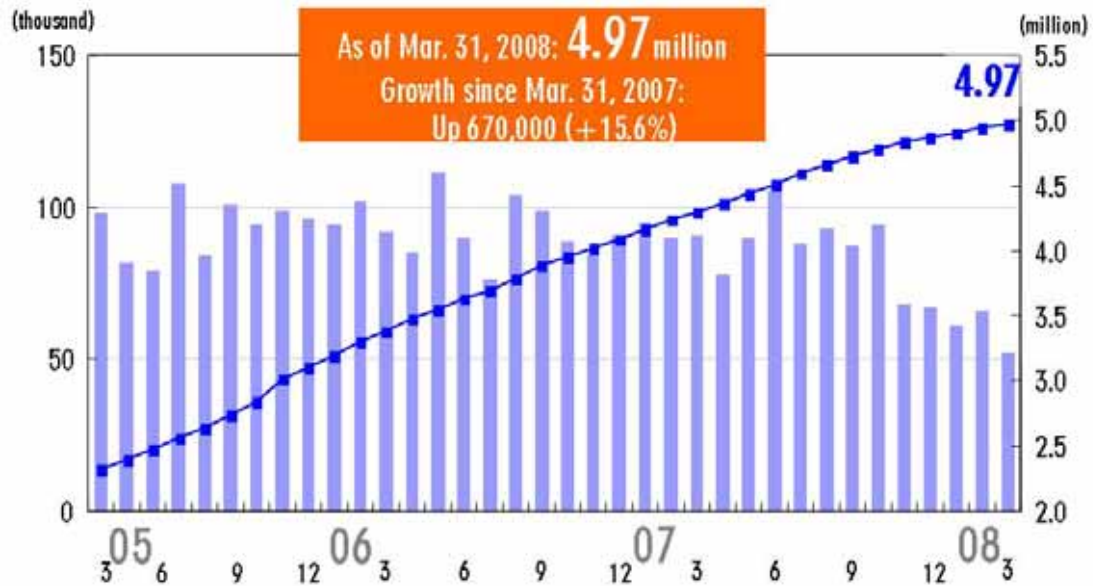
TSUTAYA DISCAS Membership Growth



Card Business

Dual-Function Card Issuances

Outlook to surpass 5 million members in May



Brands and Locations that Transact T Points

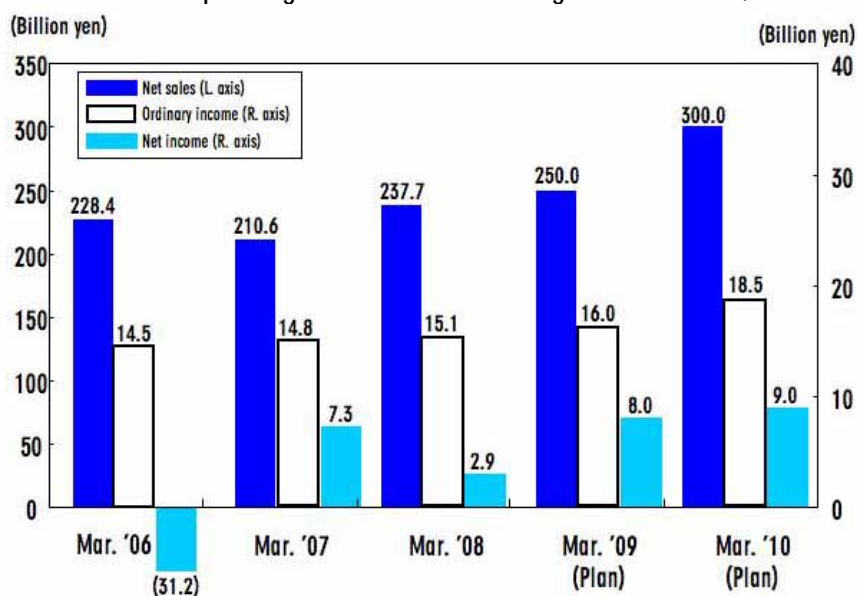


Consolidated Operating Results Forecast for Year Ending Mar. 31, 2009

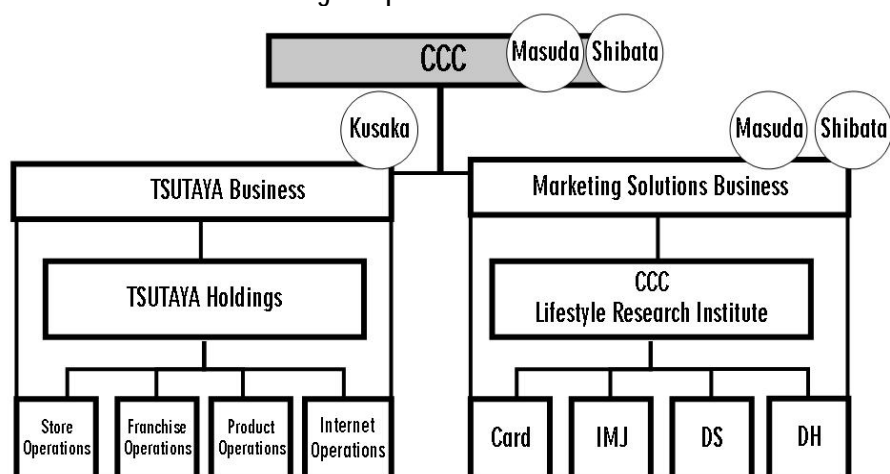
CCC Group Consolidated Operating Results Forecast for Full Year Ending Mar. 31, 2009

(Unit: million yen)	Mar. 31, 2008 Actual	Mar. 31, 2009 Plan	Prior Year Comps
Net Sales	237,730	250,000	105.2%
Operating Income	15,213	15,500	101.9%
Ordinary Income	15,133	16,000	105.7%
Net Income	2,931	8,000	272.9%

Consolidated Annual Operating Results and Planned Figures for Mar. 31, 2009 & 2010



Establishment of Intermediate Holding Companies



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