



CyberAgent

**CyberAgent Reports Third Quarter Results;
Net Sales Rise 9.9%, Net Income Rises 37.1%**

Tokyo, Aug 3, 2009 – CyberAgent, Inc. (TSE: 4751), a Tokyo-based leader in Internet media markets, has announced results for the third quarter ended June 30, 2009. Net sales rose 9.9% to 70,142 million yen from 63,825 million yen in the previous third quarter for various reasons including firm sales for mobile advertising in the Internet media business (advertising, fee collection, and content) and strong growth for Ameba, the Group's main business. Operating income fell 21.0% to 2,857 million yen from 3,616 million yen for the same period of the previous fiscal year and ordinary income shrank 20.7% to 2,800 million yen from 3,533 million yen since even though the investment development business did not contribute 1,202 million yen to ordinary income as it had for the same period the previous fiscal year, earnings were firm for the Internet media business (advertising, fee collection, and content) and earnings expanded for Ameba due to growth in sales. Net income rose 37.1% to 1,134 million yen from 827 million yen for the same period of the previous fiscal year as a result of several factors including the recording of impairment losses.

The Internet business market continues to expand, bolstered by the diffusion of the broadband environment and the introduction of flat-rate systems for mobile phones. According to Dentsu Inc., the Internet advertising market grew 16.3% from 600.3 billion yen in 2007 to 698.3 billion yen in 2008, surpassing both radio advertising and magazine advertising. The Internet business market is likely to expand even further, with the development of diverse Internet media, expansion of the EC market, and possibilities for new services.

In this promising environment, the CyberAgent Group has continued to work to strengthen its Group media, centered on Ameba, to reinforce its marketing power through its Internet advertising agency business, and to broaden its investment development business that makes use of the other two businesses. In particular, the company will continue upfront investments and considers page views (PVs) as the most important indicator when developing Ameba, the company's core media.

1) Consolidated Financial Results for the Third Quarter Ended June 30, 2009

i. Business Results

Third quarter ended March 31,	2009	%	2008	%
Net Sales	70,142	--	63,825	13.5
Operating Income	2,857	--	3,616	1.1
Ordinary Income	2,800	--	3,533	4.9
Net Income	1,134	--	827	(34.9)
Net Income/Share (y)	1,749.13		1,273.59	
Fully Diluted				
Net Income/Share (y)	--		1,272.72	

ii. Financial Position

As of	June 30, 2009	March 31, 2008
Total Assets	63,854	62,911
Shareholders' Equity	31,255	30,146
Shlders' Eqty Ratio (%)	39.8	38.5
Shlders' Eqty/share (y)	39,191.48	37,317.27

2) Results by Business Segment

i. Internet Media Business - Blog

This business includes Ameba and Amebapigg, Poupeegirl, MicroAd, and the word-of-mouth marketing business within CyberBuzz. The number of page views (PVs) for Ameba for June 2009 had risen to 9.07 billion, a dramatic increase of 4.46 billion compared to the 4.61 billion for June 2008.

Full-scale efforts were made to turn the business profitable, which included launching fee services such as Amebapigg while continuing to make upfront investments and using the increase in Ameba's PVs as the most important indicator.

Therefore, sales for the segment rose 53.4% to 3,795 million yen from 2,474 million in the previous term, and the business posted an operating loss of 634 million yen compared to an operating loss of 1,384 million yen for the previous term.

ii. Internet Media Business - Advertising/fee collection/content

This business segment includes mobile advertising, mobile advertisement centered on the CA MOBILE Group, the price comparison site operated by EC Navi, online game fee collection service provided by GCREST Co., Ltd., and financial operations such as foreign exchange margin transaction business operated by CyberAgent FX. As a result of aggressive advertising and firm growth in the number of members, sales increased 28.7% to 24,465 million yen from 19,012 million yen in the previous term, and the business recorded operating loss of 2,855 million yen, 5.6% increase from a 2,704 million operating income for the previous term.

iii. Internet Media Business - Commerce

The business segment includes online shopping businesses, including "gathering" (joint purchasing) operated by netprice.com, Ltd. While continuing to strive to reduce expenses, the CyberAgent Group focused on increasing sales through low-price strategies in response to the stagnant economy and worked on new overseas businesses such as the global shopping business "sekaimon."

Therefore, sales for the segment rose 5.1% to 13,843 million yen from 13,169 million yen for the previous term, and the business was able to record operating income of 605 million yen, 0.6% decrease from a 609 million operating income for the previous term.

iv. Internet Advertising Business

This business segment includes the Internet advertising agency business, centered on the company's Internet Advertising Management Division, the SEM (search engine marketing) business, and the Ad Network business. The CyberAgent Group made proposals to meet customer needs and worked to capture advertising at a time when the deterioration in economic conditions was impacting the advertising market.

As a result, sales for the segment was 30,937 million yen, 0.0% decrease from 30,949 million yen in the previous term, and the company posted operating income of 253 million yen, 47.4% decrease from a 483 million operating income for the previous term.

v. Investment Development Business

This business segment is composed mainly of the company's corporate venture capital business and fund management operations within CyberAgent Investment. The business has several responsibilities, including discovering, developing, and raising the value of promising

venture companies with the goal of generating capital gains. For various reasons including the disposal of its holding, sales decreased 92.3% to 161 million yen from 2,102 million yen in the previous term, and the company posted operating loss of 226 million yen, compared to a 1,202 million operating income for the previous term.

Consolidated Financial Position

Consolidated assets at the end of this third quarter rose 942 million yen from the end of the previous fiscal year to 63,854 million yen. This was due to factors such as an increase in cash and deposits accompanying the recording of net income.

Consolidated liabilities declined 166 million yen to 32,598 million yen. This was primarily because of a decline in tax liabilities due to the payment of taxes.

Net assets increased 1,108 million yen to 31,255 million yen. This increase was the result of several factors including an increase in retained earnings due to strong sales activities.

Outlook

No revisions are made to the consolidated earnings forecast announced on November 11, 2008.

Fiscal Year ending September 30, 2009

Net Sales	97,000
Operating Income	4,700
Ordinary Income	4,500
Net Income	1,200

Segment Information

Current consolidated third quarter (Oct 1, 2008 to June 30, 2009)

	A	B	C	D	E	F	G	H
Sales								
1) Sales to external customers	2,743	22,753	13,834	30,648	161	70,142	0	70,142
2) Sales or transfers within segments	1,051	1,712	8	288	--	3,060	(3,060)	--
Total	3,795	24,465	13,843	30,937	161	73,202	(3,060)	70,142
Operating Income	(634)	2,855	605	253	(226)	2,854	(3)	2,857

- A. Media - Blog
- B. Media - Advertising/fee collection/content
- C. Media - Commerce
- D. Advertising Agency
- E. Investment Development
- F. Total
- G. Write-off or Company Total
- H. Consolidation

Notes:

1. 'Business segments' refers to segments the Company uses for internal management.
2. Main products of each business segment
 - (1) Media (Blog): Operations of Ameba and Amebapigg, Poupeegirl, MicroAd, and the word-of-mouth marketing business, etc.
 - (2) Media (Advertising/fee collection/content): Operations of PC and mobile media, online game business, foreign exchange margin transaction business, content offering, etc.
 - (3) Media (Commerce): Online shopping businesses, publishing business, etc.
 - (4) Internet advertising agency: Advertising agency business, SEM(Search engine marketing) business, ad network business, advertising creation, etc.
 - (5) Investment development: Investment by corporate venture capital, fund operation, etc.

About Cyberagent

CyberAgent, Inc. (TSE: 4751; ISIN: JP3311400000) is a leading on-line advertising agency and media representative company. Established in 1998, and listed on the Tokyo Mothers Exchange in 2000, the CyberAgent Group is committed to contributing to a new society through its work on the Internet, not only in its fields of advertising and media, but through finding promising new business and investing aggressively in developing new business. For more information, please visit http://ir.cyberagent.co.jp/ir_e/

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