

The Konami logo consists of the word "KONAMI" in a bold, white, sans-serif font, centered within a red, rounded rectangular shape that tapers to a point on the right side.

KONAMI

Konami: Be Creative

Listening Questions 1:

1. When did Konami start producing arcade machines?
2. Name 2 examples of Konami's hit games in the 80s.
3. How many units did the NES sell worldwide?
4. What video game genre did Hideo Kojima help create?

Listening Questions 2:

1. Other than digital entertainment, what are Konami's business segments?
2. From FY14 to FY15, did Konami's proportion of revenue from its digital entertainment business grow or shrink? By how much?
3. In FY15, how much revenue did Konami's fitness club business generate?
4. Why did Konami let go of Hideo Kojima?

Transcript 1:

Konami was founded in 1969 by Kagemasa Kozuki as a jukebox rental and repair business, but the company went on to become famous around the world for its video games. The company started producing arcade machines in 1973.

Konami's business boomed in the 80s due to the popularity of several of its games including *Frogger*, *Contra*, and *Castlevania*. One of the reasons for the boom was the introduction of the Nintendo Entertainment System home video game console, which was called the Family Computer in Japan. The NES sold over 60 million units worldwide, which helped make video games at home commonplace.

In 1987, Konami released a game called *Metal Gear*, which is considered one of the first video games of the stealth genre. The creator of the game, Hideo Kojima, became one of the most influential video game designers in the world and Konami eventually created a production studio with him as the director.



Transcript 2:

Konami has greatly diversified its business to include operation of fitness clubs, the design and production of slot machines and casino management systems, and the design and production of pachinko machines in addition to its digital entertainment business, which includes Konami's long-running video game business.

In FY15, 44% of Konami's ¥218.2 billion yen in revenue came from its digital entertainment business, which was a 4 point decrease from the previous year. Interestingly, although revenue from that business segment shrank almost 7% YoY, the operating profit increased 13.6% YoY. Its 2nd-highest revenue-generating business segment was fitness clubs. They generated ¥73.3 billion yen in revenue, but produced an operating loss of ¥900 million.

In early 2015, Konami made big news when it cut ties with Hideo Kojima for undisclosed reasons. It came as a surprise because Kojima was involved in the production of the next *Metal Gear* and *Silent Hill* sequels.