

KOEI TECMO HOLDINGS CO., LTD.

Financial Highlights

for the 1st Half of the Fiscal Year Ending March 2020 (FY2019)

Summary of Consolidated Statements of Income

(millions of Yen)

	FY2018		FY2019			
	2nd Quarter Results	Full Year Results	2nd Quarter Results	YoY change ratio	Full Year Forecast	YoY change ratio
Net Sales	17,407	38,968	16,564	-4.8%	43,000	10.3%
Gross Profit	8,379	19,915	7,522	-10.2%	-	-
Operating Income	4,684	12,092	3,439	-26.6%	12,000	-0.8%
Income before income taxes and minority interests	8,587	18,307	7,455	-13.2%	16,000	-12.6%
Net Income	6,290	13,694	5,931	-5.7%	13,000	-5.1%

Net Sales by Segment

	FY2018		FY2019			
	2nd Quarter Results	Full Year Results	2nd Quarter Results	YoY change ratio	Full Year Forecast	YoY change ratio
Entertainment	15,654	35,120	14,873	-5.0%	39,040	11.2%
Amusement	1,460	3,155	1,374	-5.9%	3,300	4.6%
Real Estate	393	768	309	-21.4%	650	-15.4%
Other	77	184	86	11.7%	130	-29.3%
Corporate & Elimination	-178	-260	-79	-	-120	-
Total	17,407	38,968	16,564	-4.8%	43,000	10.3%

Operating Income by Segment

	FY2018		FY2019			
	2nd Quarter Results	Full Year Results	2nd Quarter Results	YoY change ratio	Full Year Forecast	YoY change ratio
Entertainment	4,182	11,078	3,023	-27.7%	11,130	0.5%
Amusement	329	686	304	-7.6%	700	2.0%
Real Estate	147	273	98	-33.3%	120	-56.0%
Other	25	52	13	-48.0%	50	-3.8%
Corporate & Elimination	-	0	-	-	0	-
Total	4,684	12,092	3,439	-26.6%	12,000	-0.8%

KOEI TECMO HOLDINGS CO., LTD.
Consolidated Balance Sheets

	(millions of Yen)	
	Prior Fiscal Year (as of March 31, 2019)	Current Fiscal Year (as of September 30, 2019)
Assets		
Current Assets		
Cash and time deposits	7,056	8,327
Notes and accounts receivable	8,359	5,661
Marketable securities	126	1,292
Merchandise and Finished goods	78	135
Work in process	59	293
Raw materials	46	56
Other current assets	4,051	3,267
Allowance for bad debts	△5	△4
Total current assets	<u>19,773</u>	<u>19,028</u>
Fixed assets		
Property and equipment		
Buildings and structures, net	10,156	8,474
Land	14,615	14,615
Construction in progress	3,524	4,021
Other, net	467	597
Total Property and equipment	<u>28,764</u>	<u>27,709</u>
Intangible assets		
Other	144	116
Total Intangible assets	<u>144</u>	<u>116</u>
Investments and other assets		
Investment securities	76,355	74,416
Deferred tax assets	2,220	2,151
Deferred tax assets for land revaluation	948	948
Net defined benefit assets	16	186
Other	969	1,191
Total investments and other assets	<u>80,510</u>	<u>78,895</u>
Total fixed assets	<u>109,419</u>	<u>106,721</u>
Total assets	<u>129,192</u>	<u>125,750</u>

	(millions of Yen)	
	Prior Fiscal Year (as of March 31, 2019)	Current Fiscal Year (as of September 30, 2019)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	565	467
Short-term loans payable	0	0
Accounts payable- other	1,269	2,240
Income taxes payable	2,240	1,000
Accrued bonuses to employees	1,089	1,040
Accrued bonuses to directors	176	116
Allowance for sales returns	0	0
Allowance for sales discount	269	142
Allowance for customer-discount points	11	9
Allowance for loss on order received	118	36
Other current liabilities	3,216	1,339
Total current liabilities	<u>8,957</u>	<u>6,394</u>
Long-term liabilities		
Deferred tax liabilities	157	213
Provision for loss on litigation	—	181
Total long-term liabilities	<u>950</u>	<u>1,232</u>
Total liabilities	<u>9,908</u>	<u>7,626</u>
Net assets		
Shareholders' equity		
Common stock	15,000	15,000
Capital surplus	26,389	26,583
Retained earnings	80,404	79,384
Treasury stock	△2,588	△2,293
Total shareholders' equity	<u>119,204</u>	<u>118,674</u>
Accumulated other comprehensive income		
Unrealized gains or losses on securities	1,355	1,346
Unrealized losses on revaluation of the land	△2,166	△2,166
Foreign currency translation adjustments	703	84
Remeasurements of defined benefit plans	△226	△216
Total accumulated other comprehensive income	<u>△333</u>	<u>△952</u>
Share subscription rights	413	401
Total net assets	<u>119,284</u>	<u>118,123</u>
Total liabilities and net assets	<u>129,192</u>	<u>125,750</u>