

KOEI TECMO HOLDINGS CO., LTD.

Financial Highlights

for the 1st Quarter of the Fiscal Year Ending March 2017 (FY2016)

Summary of Consolidated Statements of Income

(millions of Yen)

	FY2015		FY2016			
	1st Quarter Results	Full Year Results	1st Quarter Results	YoY change ratio	Full Year Forecasts	YoY change ratio
Net Sales	6,816	38,332	7,695	12.9%	42,000	9.6%
Gross Profit	2,552	18,924	2,942	15.3%	-	-
Operating Income	690	11,069	1,178	70.6%	11,500	3.9%
Income before income taxes and minority interests	2,972	15,573	1,231	-58.6%	16,000	2.7%
Net Income	2,031	10,855	1,082	-46.7%	11,000	1.3%

Net Sales by Segment

(millions of Yen)

	FY2015		FY2016			
	1st Quarter Results	Full Year Results	1st Quarter Results	YoY change ratio	Full Year Forecasts	YoY change ratio
Entertainment	5,824	34,713	6,767	16.2%	38,500	10.9%
Pachislot & Pachinko	449	1,788	445	-0.8%	1,800	0.7%
Amusement Facilities	358	1,286	293	-18.3%	1,200	-6.7%
Real Estate	208	830	202	-2.9%	830	-0.1%
Other	31	137	32	3.6%	150	9.4%
Corporate & Elimination	-56	-423	-46	-	-480	-
Total	6,816	38,332	7,695	12.9%	42,000	9.6%

Operating Income by Segment

(millions of Yen)

	FY2015		FY2016			
	1st Quarter Results	Full Year Results	1st Quarter Results	YoY change ratio	Full Year Forecasts	YoY change ratio
Entertainment	517	10,419	979	89.5%	10,500	0.8%
Pachislot & Pachinko	171	755	176	3.0%	750	-0.8%
Amusement Facilities	23	63	24	2.8%	70	10.8%
Real Estate	82	322	84	1.3%	350	8.7%
Other	5	42	10	71.5%	80	88.4%
Corporate & Elimination	-110	-532	-96	-	-250	-
Total	690	11,069	1,178	70.6%	11,500	3.9%

KOEI TECMO HOLDINGS CO., LTD.
Consolidated Balance Sheets

	(millions of Yen)	
	Prior Fiscal Year (as of March 31, 2016)	Current Fiscal Year (as of June 30, 2016)
Assets		
Current Assets		
Cash and time deposits	12,258	10,046
Notes and accounts receivable	10,962	4,361
Marketable securities	745	932
Merchandise and Finished goods	156	124
Work in process	47	82
Raw materials	42	57
Deferred tax assets	791	413
Other current assets	2,445	2,604
Allowance for bad debts	△ 20	△ 15
Total current assets	<u>27,430</u>	<u>18,607</u>
Fixed assets		
Property and equipment		
Buildings and structures, net	12,029	11,350
Other, net	6,826	6,758
Total Property and equipment	<u>18,856</u>	<u>18,108</u>
Intangible assets		
Goodwill	290	193
Other	141	217
Total Intangible assets	<u>432</u>	<u>410</u>
Investments and other assets		
Investment securities	62,120	56,970
Deferred tax assets	1,301	2,384
Other	785	787
Total investments and other assets	<u>64,207</u>	<u>60,141</u>
Total fixed assets	<u>83,495</u>	<u>78,661</u>
Total assets	<u>110,925</u>	<u>97,268</u>

	(millions of Yen)	
	Prior Fiscal Year (as of March 31, 2016)	Current Fiscal Year (as of June 30, 2016)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	2,243	591
Accounts payable- other	1,234	770
Income taxes payable	2,900	308
Accrued bonuses to employees	1,007	504
Accrued bonuses to directors	234	45
Allowance for sales returns	9	8
Allowance for sales discount	240	193
Allowance for customer-discount points	19	18
Deferred tax liabilities	0	0
Other current liabilities	2,695	2,436
Total current liabilities	<u>10,584</u>	<u>4,878</u>
Long-term liabilities		
Net defined benefit liability	380	347
Deferred tax liabilities	526	321
Other long-term liabilities	728	727
Total long-term liabilities	<u>1,634</u>	<u>1,396</u>
Total liabilities	<u>12,219</u>	<u>6,275</u>
Net assets		
Shareholders' equity		
Common stock	15,000	15,000
Capital surplus	25,699	25,699
Retained earnings	60,003	55,616
Treasury stock	△ 1,657	△ 1,644
Total shareholders' equity	<u>99,045</u>	<u>94,670</u>
Accumulated other comprehensive income		
Unrealized gains or losses on securities	1,009	△ 1,008
Unrealized losses on revaluation of the land	△ 3,115	△ 3,115
Foreign currency translation adjustments	1,636	292
Remeasurements of defined benefit plans	△ 54	△ 56
Total accumulated other comprehensive income	<u>△ 523</u>	<u>△ 3,887</u>
Share subscription rights	184	210
Total net assets	<u>98,706</u>	<u>90,993</u>
Total liabilities and net assets	<u>110,925</u>	<u>97,268</u>