

KOEI TECMO HOLDINGS CO., LTD.

Financial Highlights

for the Fiscal Year Ending March 2018 (FY2017)

Summary of Consolidated Statements of Income

(millions of Yen)

	FY2016	FY2017		FY2018	
	Full Year Results	Full Year Results	YoY change ratio	Full Year Forecast	YoY change ratio
Net Sales	37,034	38,926	5.1%	41,000	5.3%
Gross Profit	17,211	19,360	12.5%	-	-
Operating Income	8,781	11,711	33.4%	12,000	2.5%
Income before income taxes and minority interests	15,211	18,293	20.3%	17,500	-4.3%
Net Income	11,624	13,017	12.0%	12,500	-4.0%

Net Sales by Segment

(millions of Yen)

	FY2016	FY2017	
	Full Year Results	Full Year Results	YoY change ratio
Entertainment	33,025	35,389	7.2%
Pachislot & Pachinko	1,992	945	-52.6%
Amusement Facilities	1,266	1,536	21.3%
Real Estate	788	784	-0.6%
Other	336	584	73.7%
Corporate & Elimination	-376	-313	-
Total	37,034	38,926	5.1%

Operating Income by Segment

(millions of Yen)

	FY2016	FY2017	
	Full Year Results	Full Year Results	YoY change ratio
Entertainment	7,815	10,938	40.0%
Pachislot & Pachinko	736	289	-60.7%
Amusement Facilities	27	-362	-
Real Estate	248	348	40.1%
Other	243	496	104.1%
Corporate & Elimination	-290	0	-
Total	8,781	11,711	33.4%

KOEI TECMO HOLDINGS CO., LTD.
Consolidated Balance Sheets

	(millions of Yen)	
	Prior Fiscal Year (as of March 31, 2017)	Current Fiscal Year (as of March 31, 2018)
Assets		
Current Assets		
Cash and time deposits	11,868	6,626
Notes and accounts receivable	8,168	8,978
Marketable securities	1,871	—
Merchandise and Finished goods	96	115
Work in process	4	30
Raw materials	42	45
Deferred tax assets	939	959
Other current assets	3,721	2,885
Allowance for bad debts	△ 23	△ 11
Total current assets	<u>26,689</u>	<u>19,631</u>
Fixed assets		
Property and equipment		
Buildings and structures, net	10,993	10,746
Land	14,615	14,615
Construction in progress	9	3,531
Other, net	508	520
Total Property and equipment	<u>26,126</u>	<u>29,413</u>
Intangible assets		
Other	208	190
Total Intangible assets	<u>208</u>	<u>190</u>
Investments and other assets		
Investment securities	65,484	78,938
Deferred tax assets	142	287
Other	809	906
Total investments and other assets	<u>66,436</u>	<u>80,131</u>
Total fixed assets	<u>92,772</u>	<u>109,736</u>
Total assets	<u>119,461</u>	<u>129,367</u>

	(millions of Yen)	
	Prior Fiscal Year (as of March 31, 2017)	Current Fiscal Year (as of March 31, 2018)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	487	843
Accounts payable- other	4,244	1,185
Income taxes payable	2,566	3,426
Accrued bonuses to employees	949	1,043
Accrued bonuses to directors	242	168
Allowance for sales returns	0	0
Allowance for sales discount	255	475
Allowance for customer-discount points	21	19
Allowance for loss on order received	-	595
Deferred tax liabilities	0	1
Other current liabilities	2,691	3,268
Total current liabilities	<u>11,460</u>	<u>11,028</u>
Long-term liabilities		
Net defined benefit liability	295	57
Deferred tax liabilities	326	1,201
Other long-term liabilities	861	836
Total long-term liabilities	<u>1,484</u>	<u>2,096</u>
Total liabilities	<u>12,944</u>	<u>13,124</u>
Net assets		
Shareholders' equity		
Common stock	15,000	15,000
Capital surplus	25,937	26,175
Retained earnings	66,159	73,269
Treasury stock	△ 1,456	△ 1,266
Total shareholders' equity	<u>105,639</u>	<u>113,178</u>
Accumulated other comprehensive income		
Unrealized gains or losses on securities	3,130	4,885
Unrealized losses on revaluation of the land	△ 3,115	△ 3,115
Foreign currency translation adjustments	697	997
Remeasurements of defined benefit plans	△ 90	△ 48
Total accumulated other comprehensive income	<u>622</u>	<u>2,719</u>
Share subscription rights	254	345
Total net assets	<u>106,516</u>	<u>116,242</u>
Total liabilities and net assets	<u>119,461</u>	<u>129,367</u>