

**KOEI TECMO HOLDINGS CO., LTD.**

## Financial Highlights

for the 3rd Quarter of the Fiscal Year Ending March 2019 (FY2018)

## Summary of Consolidated Statements of Income

(millions of Yen)

	FY2017		FY2018			
	3rd Quarter Results	Full Year Results	3rd Quarter Results	YoY change ratio	Full Year Forecast	YoY change ratio
Net Sales	24,030	38,926	26,806	11.5%	41,000	5.3%
Gross Profit	11,063	19,360	12,842	16.1%	-	-
Operating Income	5,688	11,711	7,101	24.9%	12,000	2.5%
Income before income taxes and minority interests	11,405	18,293	11,457	0.5%	17,500	-4.3%
Net Income	8,261	13,017	8,466	2.5%	12,500	-4.0%

## Net Sales by Segment

(millions of Yen)

	FY2017		FY2018			
	3rd Quarter Results	Full Year Results	3rd Quarter Results	YoY change ratio	Full Year Forecast	YoY change ratio
Entertainment	21,264	35,389	23,907	12.4%	37,200	5.1%
Pachislot & Pachinko	737	945	1,287	74.4%	1,500	58.7%
Amusement Facilities	1,166	1,536	1,096	-6.0%	1,500	-2.3%
Real Estate	586	784	582	-0.7%	800	2.1%
Other	552	584	146	-73.4%	150	-74.3%
Corporate & Elimination	-276	-313	-214	-	-150	-
Total	24,030	38,926	26,806	11.5%	41,000	5.3%

## Operating Income by Segment

(millions of Yen)

	FY2017		FY2018			
	3rd Quarter Results	Full Year Results	3rd Quarter Results	YoY change ratio	Full Year Forecast	YoY change ratio
Entertainment	4,916	10,938	6,296	28.1%	11,000	0.6%
Pachislot & Pachinko	246	289	474	92.5%	500	72.9%
Amusement Facilities	-227	-362	71	-	100	-
Real Estate	268	348	213	-20.3%	350	0.7%
Other	484	496	45	-90.6%	50	-89.9%
Corporate & Elimination	0	0	0	-	0	-
Total	5,688	11,711	7,101	24.9%	12,000	2.5%

**KOEI TECMO HOLDINGS CO., LTD.**  
Consolidated Balance Sheets

	(millions of Yen)	
	Prior Fiscal Year (as of March 31, 2018)	Current Fiscal Year (as of December 31, 2018)
<b>Assets</b>		
Current Assets		
Cash and time deposits	6,626	5,120
Notes and accounts receivable	8,978	5,276
Marketable securities	—	124
Merchandise and Finished goods	115	85
Work in process	30	2
Raw materials	45	79
Other current assets	2,885	1,979
Allowance for bad debts	△11	△5
Total current assets	<u>18,671</u>	<u>12,662</u>
Fixed assets		
Property and equipment		
Buildings and structures, net	10,746	10,181
Land	14,615	14,615
Construction in progress	3,531	3,522
Other, net	520	497
Total Property and equipment	<u>29,413</u>	<u>28,817</u>
Intangible assets		
Other	190	148
Total Intangible assets	<u>190</u>	<u>148</u>
Investments and other assets		
Investment securities	78,938	69,837
Deferred tax assets	473	3,610
Net defined benefit assets	—	186
Other	906	958
Total investments and other assets	<u>80,317</u>	<u>74,592</u>
Total fixed assets	<u>109,922</u>	<u>103,557</u>
Total assets	<u>128,594</u>	<u>116,220</u>

	(millions of Yen)	
	Current Fiscal Year (as of March 31, 2018)	Current Fiscal Year (as of December 31, 2018)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	843	429
Accounts payable- other	1,185	1,338
Income taxes payable	3,426	687
Accrued bonuses to employees	1,043	585
Accrued bonuses to directors	168	152
Allowance for sales returns	0	0
Allowance for sales discount	475	119
Allowance for customer-discount points	19	13
Allowance for loss on order received	595	348
Other current liabilities	3,268	2,041
Total current liabilities	<u>11,027</u>	<u>5,716</u>
Long-term liabilities		
Net defined benefit liability	57	—
Deferred tax liabilities	429	141
Other long-term liabilities	836	800
Total long-term liabilities	<u>1,324</u>	<u>942</u>
Total liabilities	<u>12,351</u>	<u>6,658</u>
Net assets		
Shareholders' equity		
Common stock	15,000	15,000
Capital surplus	26,175	26,239
Retained earnings	73,269	75,175
Treasury stock	△1,266	△2,326
Total shareholders' equity	<u>113,178</u>	<u>114,088</u>
Accumulated other comprehensive income		
Unrealized gains or losses on securities	4,885	△2,320
Unrealized losses on revaluation of the land	△3,115	△3,115
Foreign currency translation adjustments	997	531
Remeasurements of defined benefit plans	△48	△53
Total accumulated other comprehensive income	<u>2,719</u>	<u>△4,958</u>
Share subscription rights	345	431
Total net assets	<u>116,242</u>	<u>109,561</u>
Total liabilities and net assets	<u>128,594</u>	<u>116,220</u>