

KOEL TECMO HOLDINGS CO., LTD.

Financial Highlights

for the 2nd Quarter of the Fiscal Year Ending March 2021 (FY2020)

Summary of Consolidated Statements of Income

(millions of Yen)

	FY2019		FY2020			
	2nd Quarter Results	Full Year Results	2nd Quarter Results	YoY change ratio	Full Year Forecast	YoY change ratio
Net Sales	16,564	42,645	23,141	39.7%	51,000	19.6%
Gross Profit	7,522	22,556	13,238	76.0%	-	-
Operating Income	3,439	14,102	8,447	145.6%	17,000	20.5%
Income before income tax	6,077	18,869	15,289	105.1%	25,000	32.5%
Net Income	5,931	15,306	11,845	99.7%	18,000	17.6%

Net Sales by Segment

	FY2019		FY2020			
	2nd Quarter Results	Full Year Results	2nd Quarter Results	YoY change ratio	Full Year Forecast	YoY change ratio
Entertainment	14,873	39,106	21,683	45.8%	47,450	21.3%
Amusement	1,374	2,860	1,185	-13.8%	2,800	-
Real Estate	309	671	361	16.8%	730	8.8%
Other	86	153	90	4.7%	140	-
Corporate & Elimination	-79	-146	-179	-	-120	-
Total	16,564	42,645	23,141	39.7%	51,000	19.6%

Operating Income by Segment

	FY2019		FY2020			
	2nd Quarter Results	Full Year Results	2nd Quarter Results	YoY change ratio	Full Year Forecast	YoY change ratio
Entertainment	3,023	13,366	8,352	176.3%	16,590	24.1%
Amusement	304	519	34	-88.8%	400	-
Real Estate	98	199	65	-33.7%	40	-
Other	13	17	-5	-138.5%	-30	-
Corporate & Elimination	0	0	0	-	0	-
Total	3,439	14,102	8,447	145.6%	17,000	20.5%

KOEI TECMO HOLDINGS CO., LTD.
Consolidated Balance Sheets

	(millions of Yen)	
	Prior Fiscal Year (as of March 31, 2020)	Current Fiscal Year (as of September 30, 2020)
Assets		
Current Assets		
Cash and time deposits	12,890	12,572
Notes and accounts receivable	11,955	6,893
Marketable securities	337	7,087
Merchandise and Finished goods	97	59
Work in process	4	6
Raw materials	50	51
Other current assets	4,636	4,244
Allowance for bad debts	△9	△2
Total current assets	<u>29,963</u>	<u>30,912</u>
Fixed assets		
Property and equipment		
Buildings and structures, net	24,545	24,116
Land	14,615	14,615
Construction in progress	9	52
Other, net	1,572	1,440
Total Property and equipment	<u>40,743</u>	<u>40,224</u>
Intangible assets		
Other	191	240
Total Intangible assets	<u>191</u>	<u>240</u>
Investments and other assets		
Investment securities	71,350	87,410
Deferred tax assets	4,346	434
Other	1,196	1,201
Total investments and other assets	<u>76,894</u>	<u>89,046</u>
Total fixed assets	<u>117,829</u>	<u>129,512</u>
Total assets	<u>147,793</u>	<u>160,424</u>

	(millions of Yen)	
	Prior Fiscal Year (as of March 31, 2020)	Current Fiscal Year (as of September 30, 2020)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	1,642	296
Short-term loans payable	13,000	8,000
Accounts payable- other	1,594	6,415
Income taxes payable	3,367	2,963
Accrued bonuses to employees	1,190	1,210
Accrued bonuses to directors	226	116
Allowance for sales returns	0	0
Allowance for sales discount	144	132
Allowance for customer-discount points	7	4
Other current liabilities	2,916	2,360
Total current liabilities	<u>24,090</u>	<u>21,499</u>
Long-term liabilities		
Net defined benefit liability	199	19
Deferred tax liabilities	193	501
Provision for loss on litigation	181	181
Other long-term liabilities	781	727
Total long-term liabilities	<u>1,356</u>	<u>1,429</u>
Total liabilities	<u>25,446</u>	<u>22,929</u>
Net assets		
Shareholders' equity		
Common stock	15,000	15,000
Capital surplus	26,881	27,103
Retained earnings	88,758	92,814
Treasury stock	△2,036	△1,872
Total shareholders' equity	<u>128,602</u>	<u>133,045</u>
Accumulated other comprehensive income		
Unrealized gains or losses on securities	△3,058	7,541
Unrealized losses on revaluation of the land	△3,115	△3,115
Foreign currency translation adjustments	130	215
Remeasurements of defined benefit plans	△586	△563
Total accumulated other comprehensive income	<u>△6,629</u>	<u>4,077</u>
Share subscription rights	373	372
Total net assets	<u>122,346</u>	<u>137,495</u>
Total liabilities and net assets	<u>147,793</u>	<u>160,424</u>