



# Financial Results for the 3<sup>rd</sup> Quarter of the Fiscal Year Ending March 2021

January 25, 2021

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

## Record-high performance!

Earning operating profit of 10.9 billion yen in one quarter

### Performance

- *Hyrule Warriors: Age of Calamity* becomes a hit
- *Romance of the Three Kingdoms Ha-do*<sup>(\*1)</sup> kept going strong, contributing for full 3 months
- IP licensing-out title *Romance of the Three Kingdoms Senryaku-ban*<sup>(\*1)</sup> had continued to go strong
- High non-operating income

### Topics

- Made upward revision on full-year earnings estimate and dividend forecast

<sup>(\*1)</sup>English Names are tentative

Q3 Results (YTD)

(Million Yen)

	FY19 Results		FY20 Results		Vs Previous Year	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Percent Change
<b>Sales</b>	26,676	100.0%	<b>43,949</b>	100.0%	17,273	64.7%
<b>Operating Profit</b>	6,429	24.1%	<b>19,367</b>	44.1%	12,938	201.2%
<b>Ordinary Profit</b>	11,299	42.4%	<b>29,874</b>	68.0%	18,575	164.4%
<b>Net Profit</b>	9,718	36.4%	<b>22,202</b>	50.5%	12,484	128.5%

# Major Titles



		Q3 (Oct. 2020-Dec. 2020)	LTD
Console	New! <b><i>Hyrule Warriors: Age of Calamity</i></b> Nintendo Switch™	<b>Over 350 million copies</b> Global	-
	New! <b><i>Atelier Ryza 2: Lost Legends &amp; the Secret Fairy</i></b> PlayStation®5/PlayStation®4/Nintendo Switch™(*1)	<b>220,000 copies</b> Japan/Asia	-
	New! <b><i>ROMANCE OF THE THREE KINGDOMS XIV: Diplomacy and Strategy Expansion Pack Bundle</i></b> PlayStation®4/Nintendo Switch™/Windows® (Steam®)	<b>100,000 copies</b> Japan/Asia	-
	<b><i>Nioh 2</i></b> PlayStation®4	- Back Catalogue	Over 1.4 million copies
Online/ Mobile	<b><i>Romance of the Three Kingdoms Senryaku-ban</i></b> (*2) (Licensing-out) iOS/Android	<b>Going Strong</b> China	-
	<b><i>Romance of the Three Kingdoms: Ha-do</i></b> (*2) iOS/Android	<b>Going Strong</b> Japan	-
	New! <b><i>Fist of the North Star: Ken's Rage</i></b> (*2) iOS/Android	<b>Released in December</b> Japan	-

(\*1)Windows® (Steam®)Version: Launched on Jan. 26)

(\*2)English Names are tentative

# Results by Business Segment



Q3 Results (YTD)		(Million Yen)		
		FY19	<b>FY20</b>	Change
Entertainment	Sales	24,125	<b>41,465</b>	17,340
	Operating Profit	5,799	<b>19,103</b>	13,304
Amusement	Sales	2,059	<b>2,066</b>	7
	Operating Profit	449	<b>186</b>	△ 263
Real Estate	Sales	496	<b>580</b>	84
	Operating Profit	169	<b>75</b>	△ 94
Others	Sales	99	<b>148</b>	49
	Operating Profit	11	<b>2</b>	△ 9
Corporate & Elimination	Sales	△ 103	<b>△ 311</b>	△ 208
	Operating Profit	0	<b>0</b>	0
Total	Sales	26,676	<b>43,949</b>	17,273
	Operating Profit	6,429	<b>19,367</b>	12,938

# Sales Amounts by Region



## Q3 Results (YTD)

(Million Yen)

	FY19		FY20		Vs Previous Year	
	Amount	Component	Amount	Component	Amount	Percent
		nt		Ratio		Change
Japan	16,861	63.2%	<b>21,895</b>	49.8%	5,034	29.9%
Overseas	9,815	36.8%	<b>22,054</b>	<b>50.2%</b>	12,239	124.7%
N. America	3,097	11.6%	<b>6,881</b>	15.7%	3,784	122.2%
Europe	1,549	5.8%	<b>3,173</b>	7.2%	1,624	104.8%
Asia	5,169	19.4%	<b>12,000</b>	27.3%	6,831	132.2%
Total	26,676	100.0%	<b>43,949</b>	100.0%	17,273	64.8%

# Units Sold by Region



## Q3 Results (YTD)

	FY19		FY20		(Thousand Units)	
	Amount	Component	Amount	Ratio	Vs Previous Year	Percent Change
Japan	1,680	24.6%	<b>1,880</b>	23.0%	200	11.9%
Overseas	5,155	75.4%	<b>6,280</b>	<b>77.0%</b>	1,125	21.8%
N. America	2,650	38.8%	<b>3,130</b>	38.4%	480	18.1%
Europe	1,450	21.2%	<b>1,900</b>	23.3%	450	31.0%
Asia	1,055	15.4%	<b>1,250</b>	15.3%	195	18.5%
Total	6,835	100.0%	<b>8,160</b>	100.0%	1,325	19.4%
DL Units	2,520		<b>3,000</b>		480	19.0%
DL Ratio	36.9%		<b>36.8%</b>		Δ0.1pt	

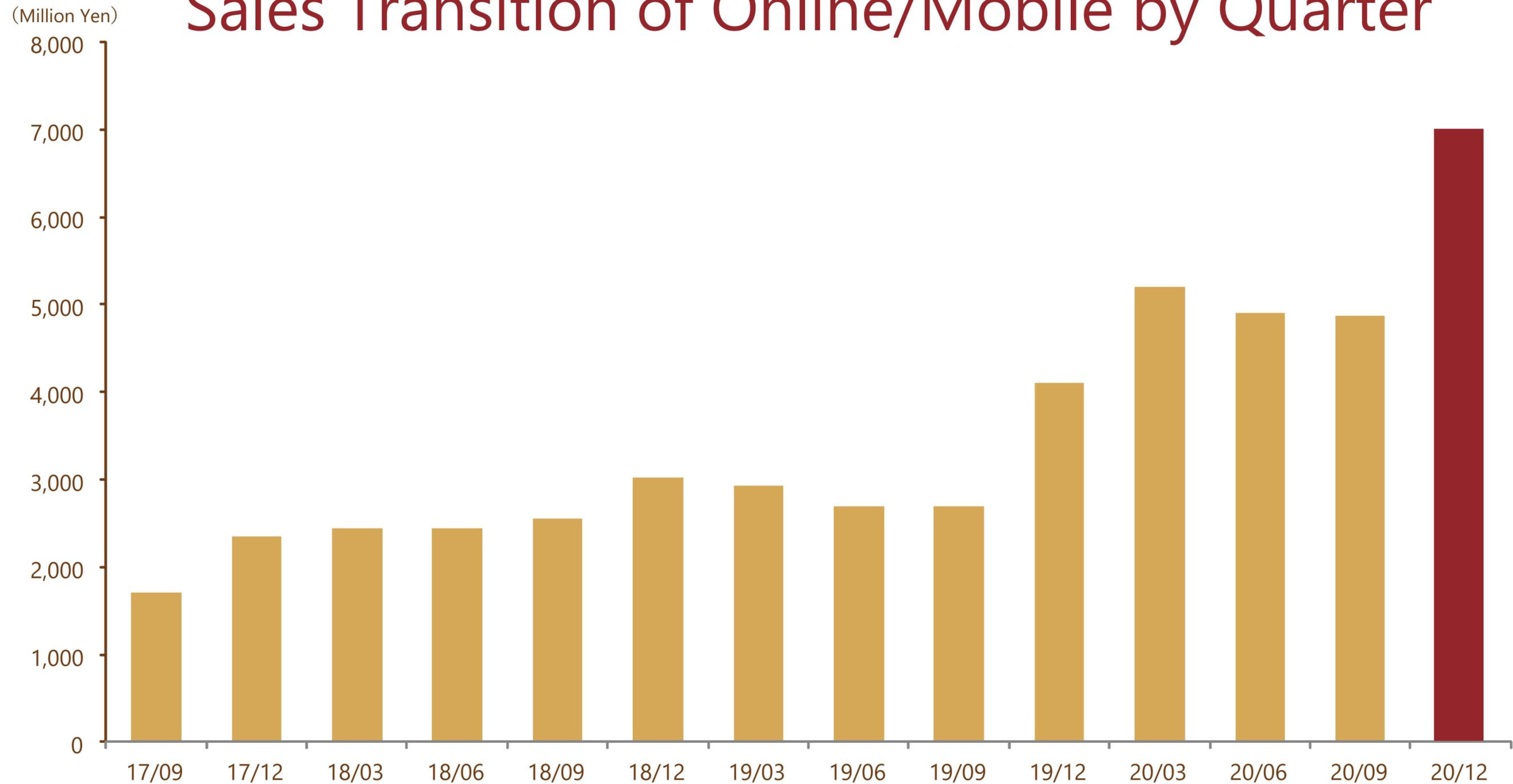
# Breakdown on the Sales for Entertainment Business



Q3 Results (YTD)		(Million Yen)			
		FY19	FY20	Change	% Change
Console	Package <sup>(*1)</sup>	8,485	<b>15,115</b>	6,630	78.1%
	DL <sup>(*2)</sup>	4,070	<b>7,310</b>	3,240	79.6%
	DLC <sup>(*3)</sup>	1,350	<b>1,580</b>	230	17.0%
		13,905	<b>24,005</b>	10,100	72.6%
Online/	PC Online <sup>(*4)</sup>	1,100	<b>1,180</b>	80	7.3%
Mobile	Smartphone/Social <sup>(*5)</sup>	8,220	<b>15,330</b>	7,110	86.5%
	Others	270	<b>250</b>	△ 20	-7.4%
		9,590	<b>16,760</b>	7,170	74.8%
Events & Goods		630	<b>700</b>	70	11.1%
Sales for Entertainment Business		24,125	<b>41,465</b>	17,340	71.9%

<sup>(\*1)</sup>Including sales for packages, royalty, commission fees (incl. %-of-completion basis), and down payment <sup>(\*2)</sup>DL (download) sales: sales for digital copies via PSN/XboxLive/Switch DL/Steam  
<sup>(\*3)</sup>DLC (Download contents): Sales for additional items and scenario via download <sup>(\*4)</sup>Sales for MMORPG and some other titles(Uncharted Waters V, Uncharted Waters VI, Nobunaga's Ambition 20XX)  
<sup>(\*5)</sup>Including sales for smartphone games, social games, browser games, and royalty from IP licensing-out

## Sales Transition of Online/Mobile by Quarter



## Q3 Actuals (YTD)

(million yen/headcounts)

		FY19	<b>FY20</b>	Change	% Change
Employment Cost	COGS	8,665	<b>9,680</b>	1,015	11.7%
	SGA	2,240	<b>2,610</b>	370	16.5%
		10,905	<b>12,290</b>	1,385	12.7%
Subcontracting Cost	COGS	3,065	<b>2,640</b>	△ 425	-13.9%
Advertizing/Promotional Cost	SGA	630	<b>1,090</b>	460	73.0%
<b>Total Headcount<sup>(*1)</sup></b>		1,838	<b>2,003</b>	165	9.0%

(\*1) Excluding temporary employees

# Upward Revision on Full-Year Earnings Estimate



## Full-Year Forecast

(Million Yen)

	FY19 Results		FY20 Results		Vs Previous Year		FY20 Plan (As of Oct 26)		Vs Plan	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Percent Change	Amount	Component Ratio	Amount	Percent Change
<b>Sales</b>	42,645	100.0%	<b>56,000</b>	100.0%	13,355	31.3%	51,000	100.0%	5,000	9.8%
<b>Operating Profit</b>	14,102	33.1%	<b>22,000</b>	39.3%	7,898	56.0%	17,000	33.3%	5,000	29.4%
<b>Ordinary Profit</b>	18,869	44.2%	<b>33,000</b>	58.9%	14,131	74.9%	25,000	49.0%	8,000	32.0%
<b>Net Profit</b>	15,306	35.9%	<b>25,000</b>	44.6%	9,694	63.3%	18,000	35.3%	7,000	38.9%

● Full-year earnings estimate: operating profit of 17 billion yen → 22 billion yen

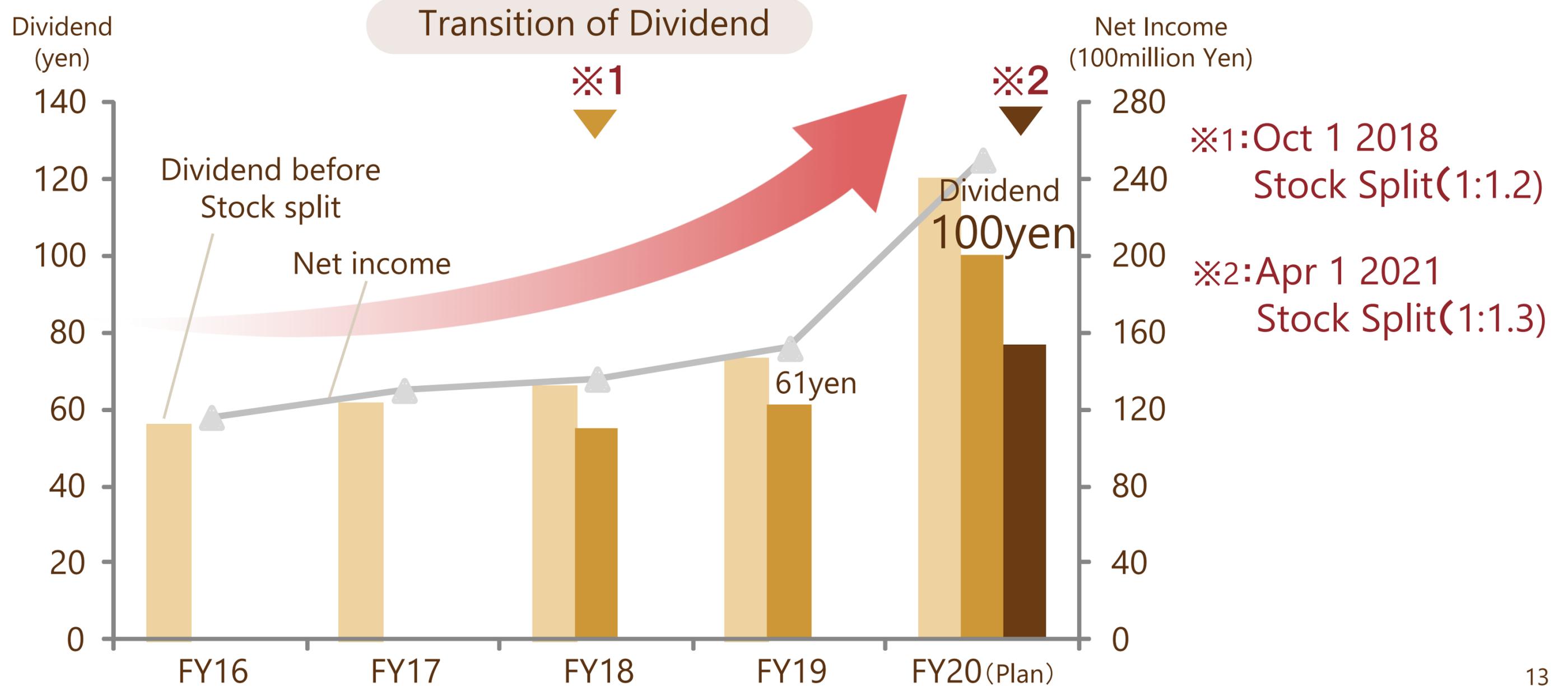
		Launch date/ Area
Console	Area Expansion	<b>Atelier Ryza 2: Lost Legends &amp; the Secret Fairy</b> PlayStation®5/PlayStation®4/Nintendo Switch™/Windows® (Steam®)
	New PF <sup>(*1)</sup>	<b>Nioh 2 – The Complete Edition</b> PlayStation®5/PlayStation®4/Windows® (Steam®)
	Area Expansion	<b>Persona 5 Strikers (Developer)</b> PlayStation®4/Nintendo Switch™/Windows® (Steam®)
Online/ Mobile	New!	<b>Dynasty Warriors<sup>(*2)</sup></b> iOS/Android
	New!	<b>La Corda d'oro Starlight Orchestra<sup>(*2)</sup></b> iOS/Android
	New!	<b>Dynasty Warriors Ha<sup>(*2)</sup> (IP Licensing-out)</b> (Operated by Tencent Games)
	Area Expansion	<b>Romance of the Three Kingdoms Senryaku-ban<sup>(*2)</sup> (IP Licensing-out)</b> (Developed by Alibaba Lingxi Interactive Entertainment)
		<b>January</b> <b>Europe/Americas</b>
		<b>Feb. 4</b> <b>Global</b>
		<b>Feb. 23</b> <b>Europe/Americas</b>
		<b>Under Development</b> <b>Japan</b>
		<b>Pre-registration</b> <b>Japan</b>
		<b>Pre-registration</b> <b>China</b>
		<b>January</b>   <b>February</b> <b>Taiwan</b>   <b>South Korea</b>

(\*1) Stands for "Platform"

(\*2) English Names are tentative

## Basic Policy

Including acquisition of treasury stock, consolidated yearly overall payout 50% for dividends, or yearly dividend of 50 yen per stock.





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

This document contains statements regarding future objectives, beliefs and current expectations of KOEI TECMO HOLDINGS CO., LTD. with respect to its financial results. Such statements imply risks and uncertainties and no guarantee of future performance.