



Financial Results for the First Quarter of the Fiscal Year Ending March 2022

July 26, 2021

株式会社コエーテクモホールディングス

KOEI TECMO HOLDINGS CO., LTD.

Record-high performance for Q1!

Performance

Console Titles

- Going strong backed by the launch of new titles such as *SAMURAI WARRIORS 5*, the launch of remastered titles such as *NINJA GAIDEN: Master Collection*, and back catalogues sales such as *Nioh 2 – The Complete Edition*.

Online/Mobile

- *Romance of the Three Kingdoms Ha-do* is going strong
- In the IP licensing-out business *Romance of the Three Kingdoms: Shinsen^[1]* has been released in Japan

Non-operating Income

- gain on sale of investment securities has greatly increased

Topics

- We have made an upward revision on our half-year earnings estimate

^[1]English titles are tentative

1Q Results

(Million Yen)

| | FY20 1Q Results | | FY21 1Q Results | | Vs Previous Year | |
|-------------------------|-----------------|-----------------|-----------------|-----------------|------------------|----------------|
| | Amount | Component Ratio | Amount | Component Ratio | Amount | Percent Change |
| Sales | 11,363 | 100.0% | 20,520 | 100.0% | 9,157 | 80.6% |
| Operating Profit | 4,387 | 38.6% | 9,718 | 47.4% | 5,331 | 121.5% |
| Ordinary Profit | 8,957 | 78.8% | 18,408 | 89.7% | 9,451 | 105.5% |
| Net Profit | 6,628 | 58.3% | 13,381 | 65.2% | 6,753 | 101.9% |

| | | | 1Q (Apr. 2021-Jun. 2021) | LTD |
|---------------------------|--------------------|---|-------------------------------------|-------------------------------|
| Console | New! | Winning Post 9 2021 PlayStation®4/Nintendo Switch™/Windows®(Steam®) | 80,000 copies Japan | - |
| | New! | Angelique Luminarise ^[1] Nintendo Switch™ | 30,000 copies Japan/Asia | - |
| | New! | SAMURAI WARRIORS 5 PlayStation®4/Nintendo Switch™/Xbox One/Windows®(Steam®) ^[2] | 280,000 copies Japan/Asia | - |
| | Remastered Version | Uncharted Waters IV HD Version Nintendo Switch™/Windows®(Steam®) | 70,000 copies Japan/Asia | - |
| | Remastered Version | NINJA GAIDEN: Master Collection PlayStation®4/Nintendo Switch™/Xbox One/Windows®(Steam®) | 240,000 copies Worldwide | - |
| | | Nioh 2 – The Complete Edition PlayStation®5/PlayStation®4/Windows®(Steam®) | - Back Catalogue | More than 2 million copies |
| Online/ Mobile | | Romance of the Three Kingdoms Ha-do ^[1] iOS/Android | In Service Japan | - |
| | New! | Licensing-out: Three Kingdoms Tactics iOS/Android | Released in May Japan | - |

^[1]English titles are tentative

^[2]Steam® Version launched in July

Results by Business Segment



1Q Results (Million Yen)

| | | FY20 1Q | FY21 1Q | Change |
|------------------------------------|------------------|------------|---------------|--------|
| Entertainment | Sales | 10,742 | 19,648 | 8,906 |
| | Operating Profit | 4,315 | 9,639 | 5,324 |
| Amusement | Sales | 523 | 625 | 102 |
| | Operating Profit | 17 | 49 | 32 |
| Real Estate | Sales | 164 | 238 | 74 |
| | Operating Profit | 66 | 23 | △ 43 |
| Others | Sales | 40 | 88 | 48 |
| | Operating Profit | △ 12 | 7 | 19 |
| Corporate & Elimination | Sales | △ 107 | △ 80 | 27 |
| | Operating Profit | 0 | 0 | 0 |
| Total | Sales | 11,363 | 20,520 | 9,157 |
| | Operating Profit | 4,387 | 9,718 | 5,331 |

Sales Amounts by Region



Consolidated Results

(Million Yen)

| | FY20 1Q | | FY21 1Q | | Vs Previous Year | |
|-------------------|---------|-----------------|---------------|-----------------|------------------|-----------------|
| | Amount | Component Ratio | Amount | Component Ratio | Amount | Component Ratio |
| Japan | 4,348 | 38.3% | 9,991 | 48.7% | 5,643 | 129.8% |
| Overseas | 7,015 | 61.7% | 10,528 | 51.3% | 3,513 | 50.1% |
| N. America | 1,551 | 13.6% | 3,156 | 15.4% | 1,605 | 103.5% |
| Europe | 855 | 7.5% | 941 | 4.6% | 86 | 10.1% |
| Asia | 4,609 | 40.6% | 6,430 | 31.3% | 1,821 | 39.5% |
| Total | 11,363 | 100.0% | 20,520 | 100.0% | 9,157 | 80.6% |

Breakdown: Entertainment Segment

(Million Yen)

| | FY20 1Q | | FY21 1Q | | Vs Previous Year | |
|-----------------|---------|-----------------|---------------|-----------------|------------------|-----------------|
| | Amount | Component Ratio | Amount | Component Ratio | Amount | Component Ratio |
| Japan | 3,763 | 35.0% | 9,156 | 46.6% | 5,393 | 143.3% |
| Overseas | 6,980 | 65.0% | 10,492 | 53.4% | 3,512 | 50.3% |
| Total | 10,742 | 100.0% | 19,648 | 100.0% | 8,906 | 82.9% |

Units Sold by Region/ Number of DL



Console: units sold (1Q)

| | FY20 1Q | | FY21 1Q | | (1000 Copies) Vs Previous Year | |
|-------------------|---------|-----------------|--------------|-----------------|-----------------------------------|-----------------|
| | Units | Component Ratio | Units | Component Ratio | Units | Component Ratio |
| Japan | 470 | 27.8% | 940 | 38.4% | 470 | 100.0% |
| Overseas | 1,220 | 72.2% | 1,510 | 61.6% | 290 | 23.8% |
| N. America | 380 | 22.5% | 700 | 28.6% | 320 | 84.2% |
| Europe | 380 | 22.5% | 280 | 11.4% | △ 100 | -26.3% |
| Asia | 460 | 27.2% | 530 | 21.6% | 70 | 15.2% |
| Total | 1,690 | 100.0% | 2,450 | 100.0% | 760 | 45.0% |
| DL Units | 830 | | 1,500 | | 670 | 80.7% |
| DL Ratio | 49.1% | | 61.2% | | | |

Online/Mobile: Number of DL^[1]

| | FY20 1Q | | FY21 1Q | | (1000 DLs) Vs Previous Year | |
|-----------------|---------|-----------------|----------------|-----------------|--------------------------------|-----------------|
| | DL | Component Ratio | DL | Component Ratio | DL | Component Ratio |
| Japan | 29,900 | 46.4% | 30,000 | 29.9% | 100 | 0.3% |
| Overseas | 34,600 | 53.6% | 70,500 | 70.1% | 35,900 | 103.8% |
| Total | 64,500 | 100.0% | 100,500 | 100.0% | 36,000 | 55.8% |

^[1]Number of DL:

the cumulative total number of DL on global basis composed of all social and smartphone games operated by KT Group (except for MMORPG) and IP licensing-out titles in service as of the end of the fiscal year

Breakdown on the Sales for Entertainment Segment



1Q Results

| | | (Million Yen) | | | |
|--|----------------------------------|---------------|---------------|--------|----------|
| | | FY20 1Q | FY21 1Q | Change | % Change |
| Console | Package ^[1] | 3,312 | 6,438 | 3,126 | 94.4% |
| | DL ^[2] | 2,070 | 3,630 | 1,560 | 75.4% |
| | DLC ^[3] | 360 | 650 | 290 | 80.6% |
| | | 5,742 | 10,718 | 4,976 | 86.7% |
| Online/ | PC Online ^[4] | 400 | 240 | △ 160 | -40.0% |
| Mobile | Smartphone/Social ^[5] | 4,400 | 8,440 | 4,040 | 91.8% |
| | Others | 100 | 50 | △ 50 | -50.0% |
| | | 4,900 | 8,730 | 3,830 | 78.2% |
| Events & Goods | | 100 | 200 | 100 | 100.0% |
| Sales for Entertainment Segment | | 10,742 | 19,648 | 8,906 | 82.9% |

^[1]Including sales for packages, royalty, commission fees (incl. %-of-completion basis), and down payment ^[2]DL (download) sales: sales for digital copies via PSN/XboxLive/Switch DL/Steam

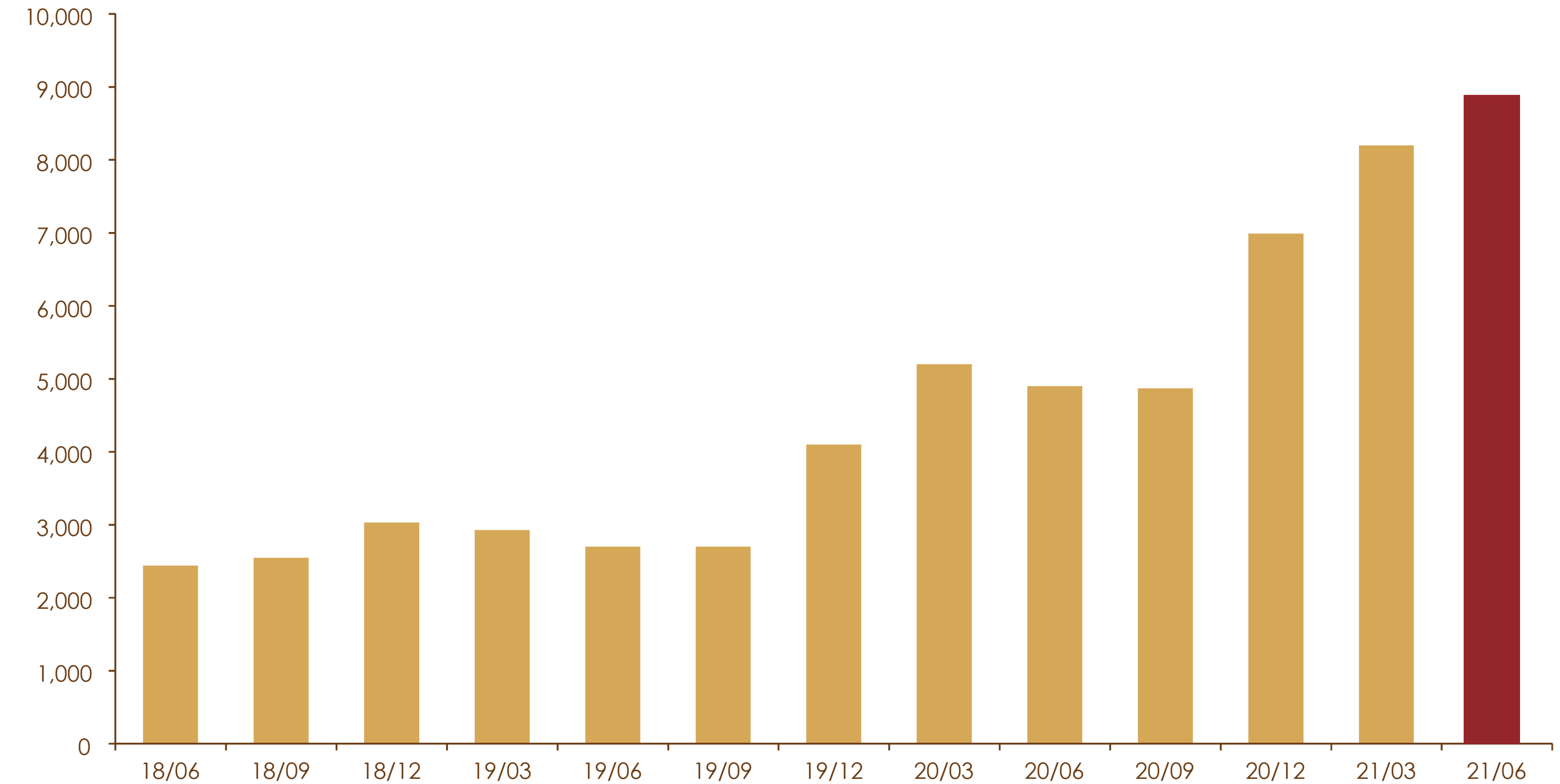
^[3]DLC (Download contents): Sales for additional items and scenario via download ^[4]Sales for MMORPG and some other titles(Uncharted Waters V, Uncharted Waters VI, Nobunaga's Ambition 20XX)

^[5]Including sales for smartphone games, social games, browser games, and royalty from IP licensing-out

Sales Trend in Online/Mobile



(Million Yen)



1Q Results

| | | (million yen/headcounts) | | | |
|--------------------------------------|------|--------------------------|--------------|--------|----------|
| | | FY20 1Q | FY21 1Q | Change | % Change |
| Employment Cost | COGS | 3,050 | 3,740 | 690 | 22.6% |
| | SGA | 870 | 990 | 120 | 13.8% |
| | | 3,920 | 4,730 | 810 | 20.7% |
| Subcontracting Cost | COGS | 820 | 860 | 40 | 4.9% |
| Advertizing/Promotional Cost | SGA | 150 | 430 | 280 | 186.7% |
| Total Headcount^[1] | | 2,038 | 2,088 | 50 | 2.5% |

[1]Excluding temporary employees

Upward Revision on Half-Year Earnings Estimate



Half-Year Total

(Million Yen)

| | FY20 Half-year Results | | FY21 Half-year Plan | | Vs Previous Year | | FY21 Plan (As of Apr-26) | | Vs Apr-26 Plan | |
|-------------------------|---------------------------|--------------------|------------------------|--------------------|------------------|-------------------|-----------------------------|--------------------|----------------|-------------------|
| | Amount | Component Ratio | Amount | Component Ratio | Amount | Percent Change | Amount | Component Ratio | Amount | Percent Change |
| Sales | 23,141 | 100.0% | 32,000 | 100.0% | 8,859 | 38.3% | 30,000 | 100.0% | 2,000 | 6.7% |
| Operating Profit | 8,447 | 36.5% | 12,000 | 37.5% | 3,553 | 42.1% | 10,000 | 33.3% | 2,000 | 20.0% |
| Ordinary Profit | 15,289 | 66.1% | 21,000 | 65.6% | 5,711 | 37.3% | 16,000 | 53.3% | 5,000 | 31.3% |
| Net Profit | 11,845 | 51.2% | 15,000 | 46.9% | 3,155 | 26.6% | 12,000 | 40.0% | 3,000 | 25.0% |

Half-Year Total

- We made an upward revision on our half-year earnings estimate due to our success in IP licensing-out business and increase in our non-operating income.
- Premises in the 2Q operating profit plan: (1) No new titles on the console side, and profits mainly derived from back catalogue sales, (2) Spending on marketing for *Romance of the Three Kingdoms Ha-do* on the online/mobile side, (3) Conservative view on the IP licensing-out business.

Full-Year Total

- Reflecting on the uncertainties of IP licensing-out business in the second half and non-operating income which can be affected by global market, no revision is made on the full-year earnings estimate.

| | | | Launch date/ Area |
|-------------------|--------------------|--|-----------------------------------|
| Console | New! | Nobunaga's Ambition: Shinsei^[1] | Year 2021 |
| | New! | DYNASTY WARRIORS 9 Empires PlayStation®5/PlayStation®4/Nintendo Switch™/Xbox Series X S/Xbox One/Windows®(Steam®) | Year 2021 |
| | New! | STRANGER OF PARADISE FINAL FANTASY ORIGIN (Developer) PlayStation®5/PlayStation®4/Xbox Series X S /Xbox One/PC | Year 2022 |
| | New! | BLUE REFLECTION TIE PlayStation®4/Nintendo Switch™/Windows®(Steam®) ^[2] | Oct. 2021 Japan/Asia |
| | Remastered Version | FATAL FRAME: Maiden of Black Water/ PROJECT ZERO: MAIDEN OF BLACK WATER Nintendo Switch™/PlayStation®5/PlayStation®4/Xbox Series X/Xbox One/Windows®(Steam®) | Year 2021 Worldwide |
| Online/ Mobile | Region Expansion | Romance of the Three Kingdoms Ha-do^[1] iOS/Android | Pre-registrating Taiwan |
| | New! | BLUE REFLECTION SUN iOS/Android/DMM GAMES | In Production Japan |
| | New! | Dynasty Warriors Ha^[1] iOS/Android | Pre-registrating China |

^[1]English titles are tentative

^[2]Steam® Version launch date undetermined



株式会社コエーテクモホールディングス

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.

*The Other company name, product name, logo mark and service name in this document are trademarks of each company.