



Financial Results For the Fiscal Year Ending March 2022

April 25, 2022

KOEI TECMO HOLDINGS CO., LTD.

Record-high performance!

(Million Yen)

	FY20 Full Year		FY21 Full Year		Vs Previous Year	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Percent Change
Sales	60,370	100.0%	72,759	100.0%	12,389	20.5%
Operating Profit	24,397	40.4%	34,527	47.5%	10,130	41.5%
Ordinary Profit	39,299	65.1%	48,696	66.9%	9,397	23.9%
Net Profit	29,550	48.9%	35,359	48.6%	5,809	19.7%
ROE	20.6%		23.4%		+2.8pt	

Major Titles



Developer



PlayStation® 5/PlayStation® 4
Xbox Series X|S/Xbox One
Epic Games Store

STRANGER OF PARADISE
FINAL FANTASY ORIGIN

Now on Sale
Worldwide

Developer



Nintendo Switch™
PC(DMM GAME PLAYER)

Token Ranbu Warriors

Now on Sale
Japan/Asia



PlayStation® 5/PlayStation® 4
Nintendo Switch™/Xbox Series X|S Xbox
One/Windows® (Steam®)

DYNASTY WARRIORS 9 Empires

280,000 copies Worldwide



PlayStation® 4/Nintendo Switch™
Windows®(Steam®)

Atelier Sophie 2: The Alchemist
of the Mysterious Dream

200,000 copies Worldwide



三國志
覇道

iOS/Android

Romance of the Three
Kingdoms Ha-do^[1]

Now Available
Japan/Asia

IP Licensing-out



三國志
真戦

iOS/Android

Three Kingdoms Tactics

Now Available
Japan/Asia

[1] English Name is tentative 3

Results by Business Segment



(Million Yen)

		FY20 Full Year	FY21 Full Year	Change
Entertainment	Sales	56,808	68,801	11,993
	Operating Profit	23,974	33,827	9,853
Amusement	Sales	2,977	2,800	△ 177
	Operating Profit	368	281	△ 87
Real Estate	Sales	789	1,061	272
	Operating Profit	99	224	125
Others	Sales	240	477	237
	Operating Profit	△ 44	193	237
Corporate & Elimination	Sales	△ 445	△ 382	63
	Operating Profit	-	-	-
Total	Sales	60,370	72,759	12,389
	Operating Profit	24,397	34,527	10,130

Sales Amounts by Region



Consolidated Results

(Million Yen)

	FY20 Full Year		FY21 Full Year		Vs Previous Year	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Component Ratio
Japan	29,419	48.7%	37,278	51.2%	7,859	26.7%
Overseas	30,951	51.3%	35,481	48.8%	4,530	14.6%
N. America	9,456	15.7%	9,103	12.5%	△ 353	-3.7%
Europe	4,423	7.3%	3,155	4.3%	△ 1,268	-28.7%
Asia	17,072	28.3%	23,223	31.9%	6,151	36.0%
Total	60,370	100.0%	72,759	100.0%	12,389	20.5%

Breakdown: Entertainment Segment

(Million Yen)

	FY20 Full Year		FY21 Full Year		Vs Previous Year	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Component Ratio
Japan	25,994	45.8%	33,458	48.6%	7,464	28.7%
Overseas	30,814	54.2%	35,343	51.4%	4,529	14.7%
Total	56,808	100.0%	68,801	100.0%	11,993	21.1%

Units Sold by Region/ Number of DL



Console: units sold (1000 Copies)

	FY20 Full Year		FY21 Full Year		Vs Previous Year	
	Units	Component Ratio	Units	Component Ratio	Units	Component Ratio
Japan	2,110	20.9%	2,900	35.7%	790	37.4%
Overseas	8,000	79.1%	5,230	64.3%	△ 2,770	-34.6%
N. America	3,920	38.8%	2,430	29.9%	△ 1,490	-38.0%
Europe	2,410	23.8%	1,250	15.4%	△ 1,160	-48.1%
Asia	1,670	16.5%	1,550	19.1%	△ 120	-7.2%
Total	10,110	100.0%	8,130	100.0%	△ 1,980	-19.6%
DL Units	3,900		4,680		780	20.0%
DL Ratio	38.6%		57.6%			

Online/Mobile: Cumulative Number of DL^[1] (1000 DLs)

	FY20 Full Year		FY21 Full Year		Vs Previous Year	
	DL	Component Ratio	DL	Component Ratio	DL	Component Ratio
Japan	29,700	30.0%	31,400	24.5%	1,700	5.7%
Overseas	69,300	70.0%	96,600	75.5%	27,300	39.4%
Total	99,000	100.0%	128,000	100.0%	29,000	29.3%

[1]Cumulative 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



(Million Yen)

		FY20 Full Year	FY21 Full Year	Change	% Change
Console	Package ^[1]	17,558	17,851	293	1.7%
	DL ^[2]	11,170	12,920	1,750	15.7%
	DLC ^[3]	2,020	1,700	△ 320	-15.8%
		30,748	32,471	1,723	5.6%
Online/ Mobile	PC Online ^[4]	1,470	940	△ 530	-36.1%
	Smartphone/Social ^[5]	23,160	34,320	11,160	48.2%
	Others	330	170	△ 160	-48.5%
	24,960	35,430	10,470	41.9%	
Events & Goods		1,100	900	△ 200	-18.2%
Sales for Entertainment Segment		56,808	68,801	11,993	21.1%

[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

Major Costs/Headcounts



(million yen/headcounts)

		FY20 Full Year	FY21 Full Year	Change	% Change
Employment Cost	COGS	13,360	15,050	1,690	12.6%
	SGA	3,480	3,890	410	11.8%
		16,840	18,940	2,100	12.5%
Subcontracting Cost	COGS	3,980	3,650	△ 330	-8.3%
Advertizing/Promotional Cost	SGA	2,970	2,680	△ 290	-9.8%
Total Headcount^[1]		1,983	2,063	80	4.0%

[1]Excluding temporary employees

FY2022 Plan

Financial Summary (FY2022 Plan)



Full-Year

	FY21 Results		FY22 Plan		Vs Previous Year	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Percent Change
Sales	72,759	100.0%	77,000	100.0%	4,241	5.8%
Operating Profit	34,527	47.5%	32,500	42.2%	△ 2,027	-5.9%
Ordinary Profit	48,696	66.9%	42,500	55.2%	△ 6,196	-12.7%
Net Profit	35,359	48.6%	31,500	40.9%	△ 3,859	-10.9%

Half-Year Total

	FY21 Half-year Results		FY22 Half-year Plan		Vs Previous Year	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Percent Change
Sales	37,220	100.0%	32,000	100.0%	△ 5,220	-14.0%
Operating Profit	16,423	44.1%	13,000	40.6%	△ 3,423	-20.8%
Ordinary Profit	25,064	67.3%	17,000	53.1%	△ 8,064	-32.3%
Net Profit	18,142	48.7%	12,000	37.5%	△ 6,142	-33.9%

FY2022 will mark the first year of our three-year medium-term management plan, for which we are expecting a simultaneous increase in revenues and decrease in profits due to the planned long-term development of multiple major titles and a conservative outlook on IP licensing revenues. However, this step will help us achieve our profit targets (sales of 100 billion yen, operating profit of 40 billion yen, and ordinary profit of 50 billion yen) by the final year of the management plan, FY2024.

Sales and Operating Profit by Business Segment (FY2022 Plan)



(Million Yen)

		FY21 Full Year	FY22 Full Year (Plan)	Change
Entertainment	Sales	68,801	72,870	4,069
	Operating Profit	33,827	32,025	△ 1,802
Amusement	Sales	2,800	2,970	170
	Operating Profit	281	400	119
Real Estate	Sales	1,061	1,050	△ 11
	Operating Profit	224	150	△ 74
Others	Sales	477	250	△ 227
	Operating Profit	193	△ 75	△ 268
Corporate & Elimination	Sales	△ 382	△ 140	242
	Operating Profit	-	-	-
Total	Sales	72,759	77,000	4,241
	Operating Profit	34,527	32,500	△ 2,027

Net Sales by Region (FY2022 Plan)



Consolidated: Full-Year

(Million Yen)

	FY21		FY22 (Plan)		Vs Previous Year	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Percent Change
Japan	37,278	51.2%	43,400	56.4%	6,122	16.4%
Overseas	35,481	48.8%	33,600	43.6%	△ 1,881	-5.3%
N. America	9,103	12.5%	5,900	7.7%	△ 3,203	-35.2%
Europe	3,155	4.3%	3,700	4.8%	545	17.3%
Asia	23,223	31.9%	24,000	31.2%	777	3.3%
Total	72,759	100.0%	77,000	100.0%	4,241	5.8%

Breakdown: Entertainment Segment

(Million Yen)

	FY21		FY22 (Plan)		Vs Previous Year	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Percent Change
Japan	33,458	48.6%	39,406	54.1%	5,948	17.8%
Overseas	35,343	51.4%	33,464	45.9%	△ 1,879	-5.3%
Total	68,801	100.0%	72,870	100.0%	4,069	5.9%

Sales Units by Region/ Number of DL (FY2022 Plan)



Console: units sold

(1000 Copies)

	FY21 Full Year		FY22 Full Year (Plan)		Vs Previous Year	
	Units	Component Ratio	Units	Component Ratio	Units	Percent Change
Japan	2,900	35.7%	2,700	28.7%	△ 200	-6.9%
Overseas	5,230	64.3%	6,700	71.3%	1,470	28.1%
N. America	2,430	29.9%	3,000	31.9%	570	23.5%
Europe	1,250	15.4%	2,200	23.4%	950	76.0%
Asia	1,550	19.1%	1,500	16.0%	△ 50	-3.2%
Total	8,130	100.0%	9,400	100.0%	1,270	15.6%

Capital Expenditure and Depreciation Expenses (FY2022 Plan)



(Million Yen)

		FY19	FY20	FY21	FY22 (Plan)
Investment	Real Estate	14,254	965	909	0
	Equipment	376	577	467	550
Depreciation Cost		765	1,542	1,571	1,600

Management Policy

Koei Tecmo Holdings Co., Ltd.
President & CEO (Representative Director)

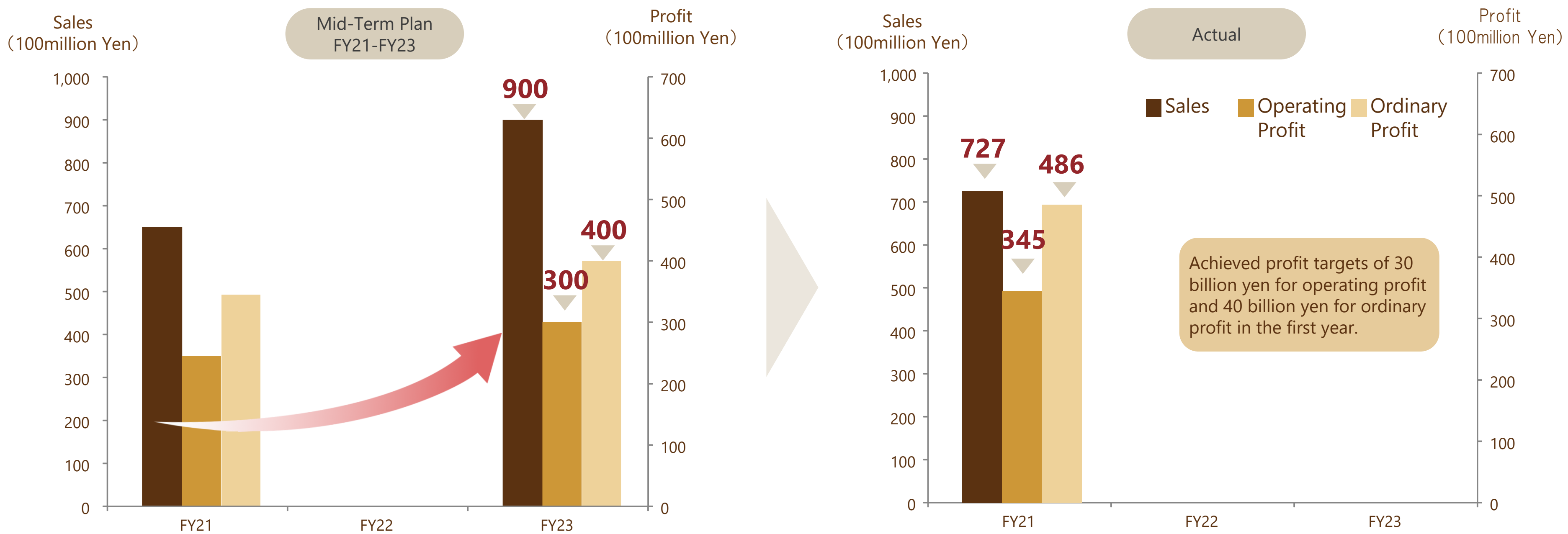
Yoichi Erikawa



Medium-Term Management Plan (FY2021-FY2023)



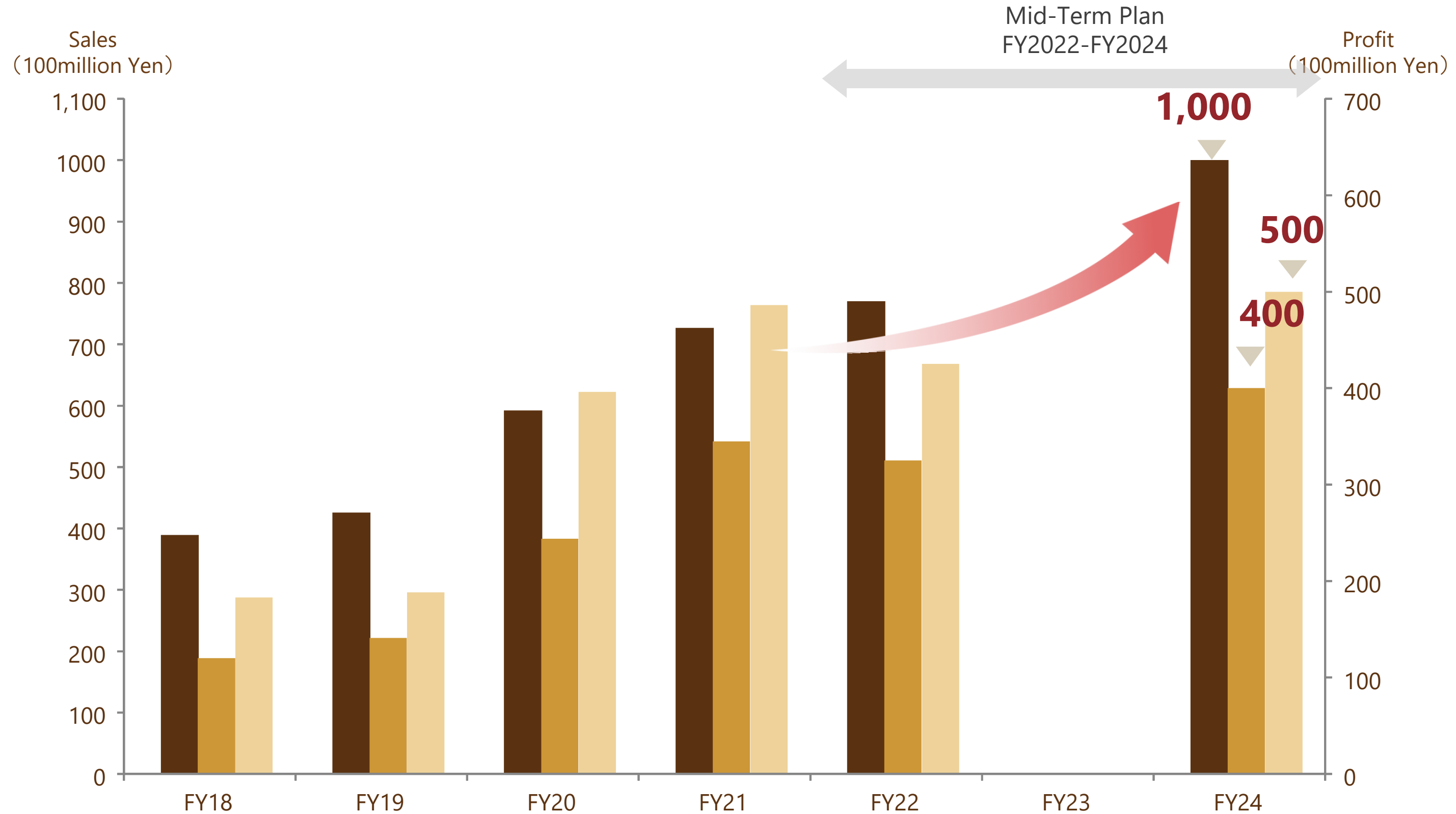
Achieved the profit target of our 3-year medium-term management plan in the first year



Medium-Term Management Plan (FY2022-FY2024)



Sales of 100 billion yen and operating profit of 40 billion yen are projected for FY2024



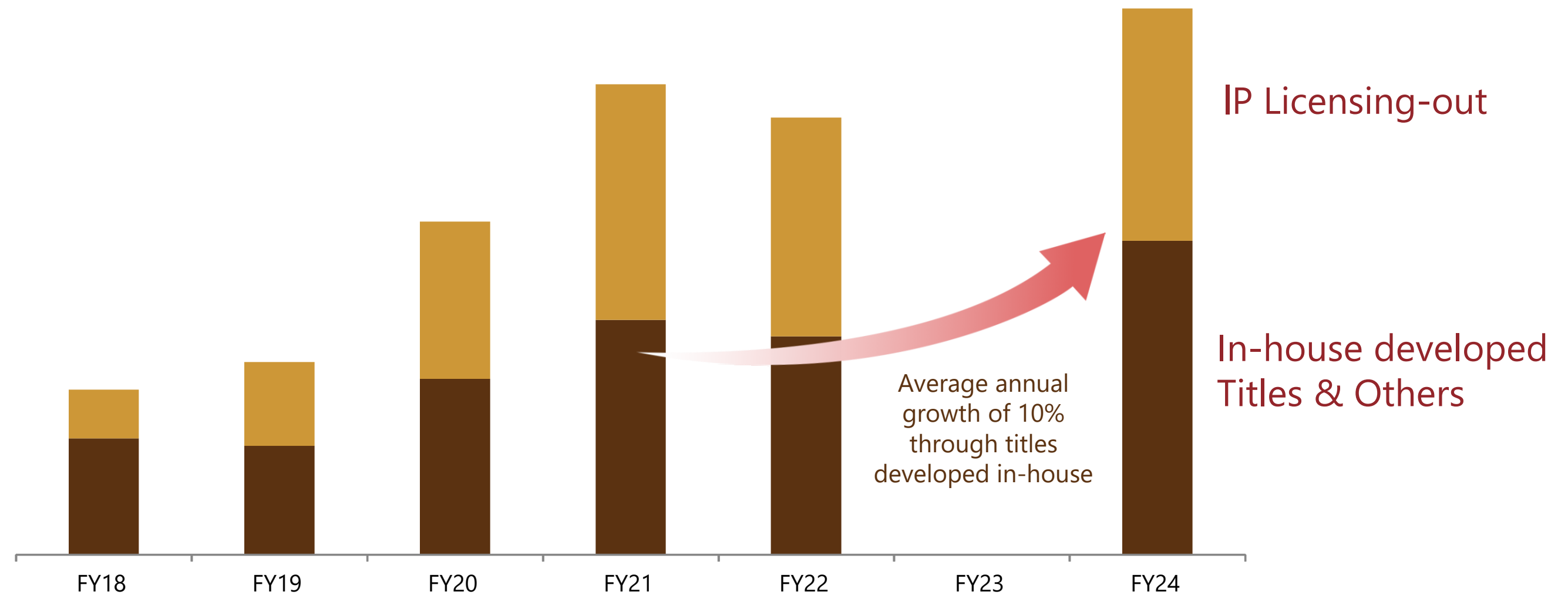
Medium-Term Management Plan (FY2022-FY2024)



Continued growth with titles developed in-house
Raising standards of IP licensing

Trends in operating profit
(The graph below is for illustrative purposes only)

Mid-Term Plan
FY2022-FY2024



Priority Goals

- Operation profit target of 40 billion yen in FY2024
- 5 million copies class console title (new IP)
- 2 million copies class console title every year
- Smartphone title
 - with monthly sales of 2 billion yen
- Smartphone titles
 - with monthly sales of 1 billion yen



Growth Strategy

- Realization of 5 million copies class console title and yearly launch of 2 million copies class console title
- Realization of smartphone title with monthly sales of 2 billion yen
- Releasing our next smartphone title with monthly sales of 1 billion yen
- Utilize the know-how from our successful titles in expansion of other IP (Nioh, Romance of the Three Kingdoms Ha-do)
- Globalization of Atlier, Historical SLG, and Warriors IP
- Development and expansion of IP
- Entering into growing genres (GPS, Battle royale)



Expansion of Global Business

- Quality improvement on global titles
 - Enhancement of the Katana Engine
- Expanding business in Europe and North America
- Expanding business in China
 - Establishment of operations in Shanghai

Establishment of a new IP Business Division

Efforts to realize SDGs



Create and develop global IPs



Improve Employee Welfare



The following changes are going to be made to improve employee job satisfaction: a 23% increase to the basic monthly salary, an increase of the starting salary for new graduates to ¥290,000, and addition of special bonuses.

- Average employee basic monthly salary increase/amount: +23% (+¥73,000/month) *1
- Starting salary for new graduates: ¥290,000 (+¥56,000/month) *2
- Special bonuses: Awarded separately from regular performance bonuses to reward the early achievement of the medium-term management plan.
- In conjunction with the above, base pay increase is planned to be introduced for the seventh consecutive year in FY2022.

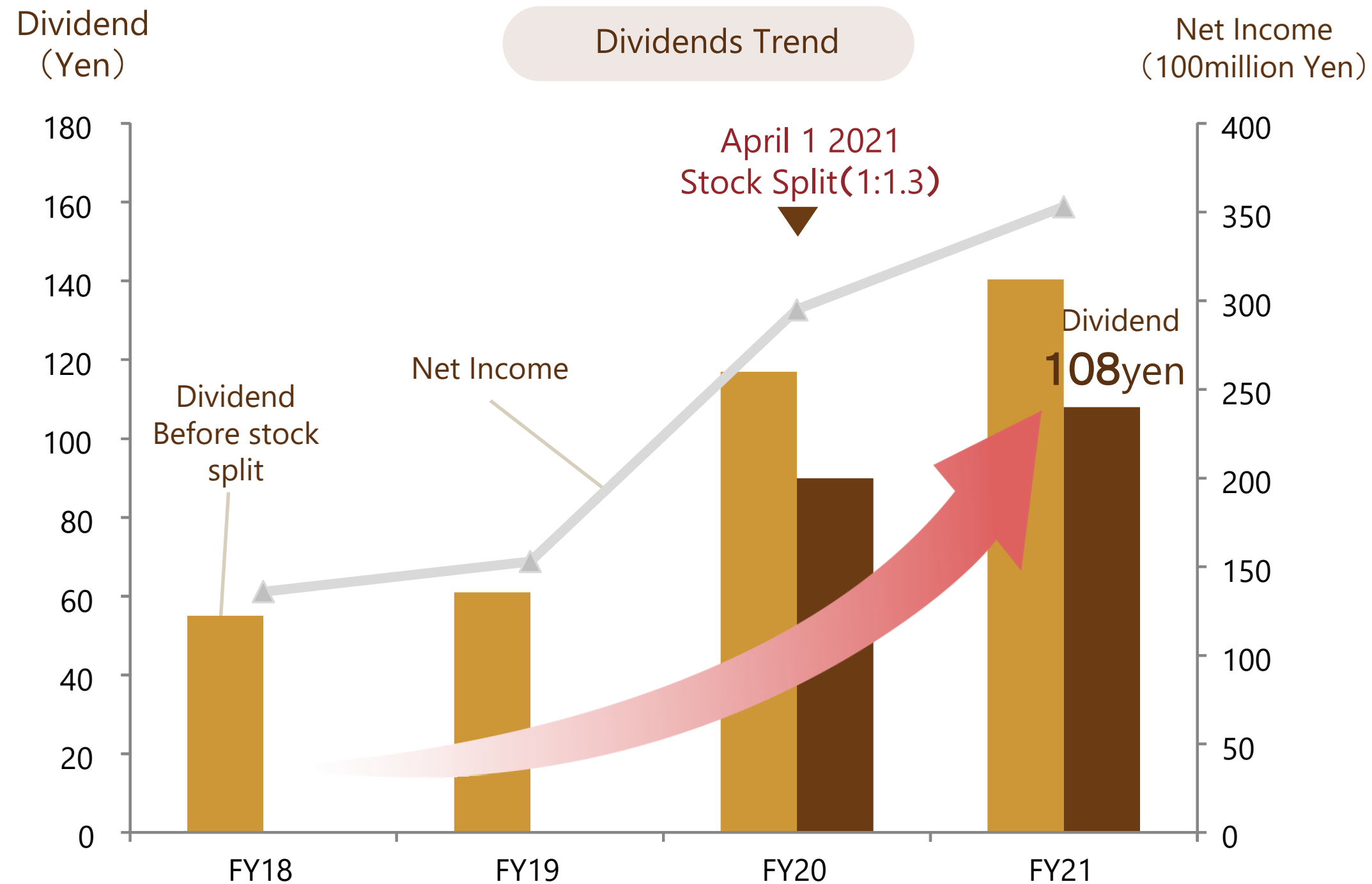
*1: Differs depending on the job type.

*2: Overtime compensation is paid separately; starting salaries differ for some group companies.



Basic Policy

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



As one of Japan's leading global companies, our long-term vision is to rely on our ethos of “Creativity & Contribution” to become “The World's No.1 Digital Entertainment Company.”

- Improving the ratio of tradable shares

In December 2021, our company implemented a series of measures to meet the listing maintenance criteria (35% or more) for the tradable share ratio for the Prime Market. This was the first such initiative in Japan that combined a tender offer and a convertible bonds.

- “Special Award” at the Capital Eye Awards

The above initiative was awarded a “Special Award” in the Convertible Bonds category at the “BEST DEALS OF 2021” Capital Eye Awards, a prize awarded to the most superior financing deals in capital markets.

(Details: <https://c-eye.ne.jp/>)

Management Strategy

KOEI TECMO HOLDINGS CO., LTD.
Executive Vice President (Representative Director)
KOEI TECMO GAMES CO., LTD.
President & COO (Representative Director)

Hisashi Koinuma



Console

- Development of "STRANGER OF PARADISE FINAL FANTASY ORIGIN" and "Touken Ranbu Warriors."
 - Published new titles "DYNASTY WARRIORS 9 Empires" and "Atelier Sophie 2: The Alchemist of the Mysterious Dream."
 - Steady repeat sales of titles such as "Nioh 2 - The Complete Edition."
- Growth achieved through a strong lineup of new releases and repeat sales.

Online/ Mobile

- "Romance of the Three Kingdoms Ha-do" and licensed title "Three Kingdoms Tactics" continue to perform at a high level, contributing to earnings throughout the fiscal year and raising the standard for quarterly operating profits.
- Development of titles with expected monthly sales of 2 billion yen and 1 billion yen.

Establishment of IP Business Division, and new office in Shanghai



① Establishment of IP Business Division

- A new business division established at KOEI TECMO GAMES.
- Focusing on even greater growth of the quickly expanding IP business.
- In addition to IP licensing and cooperative sales, this division also operates official stores such as KOEI TECMO SPOT.

② Plans for establishment of a new office in Shanghai

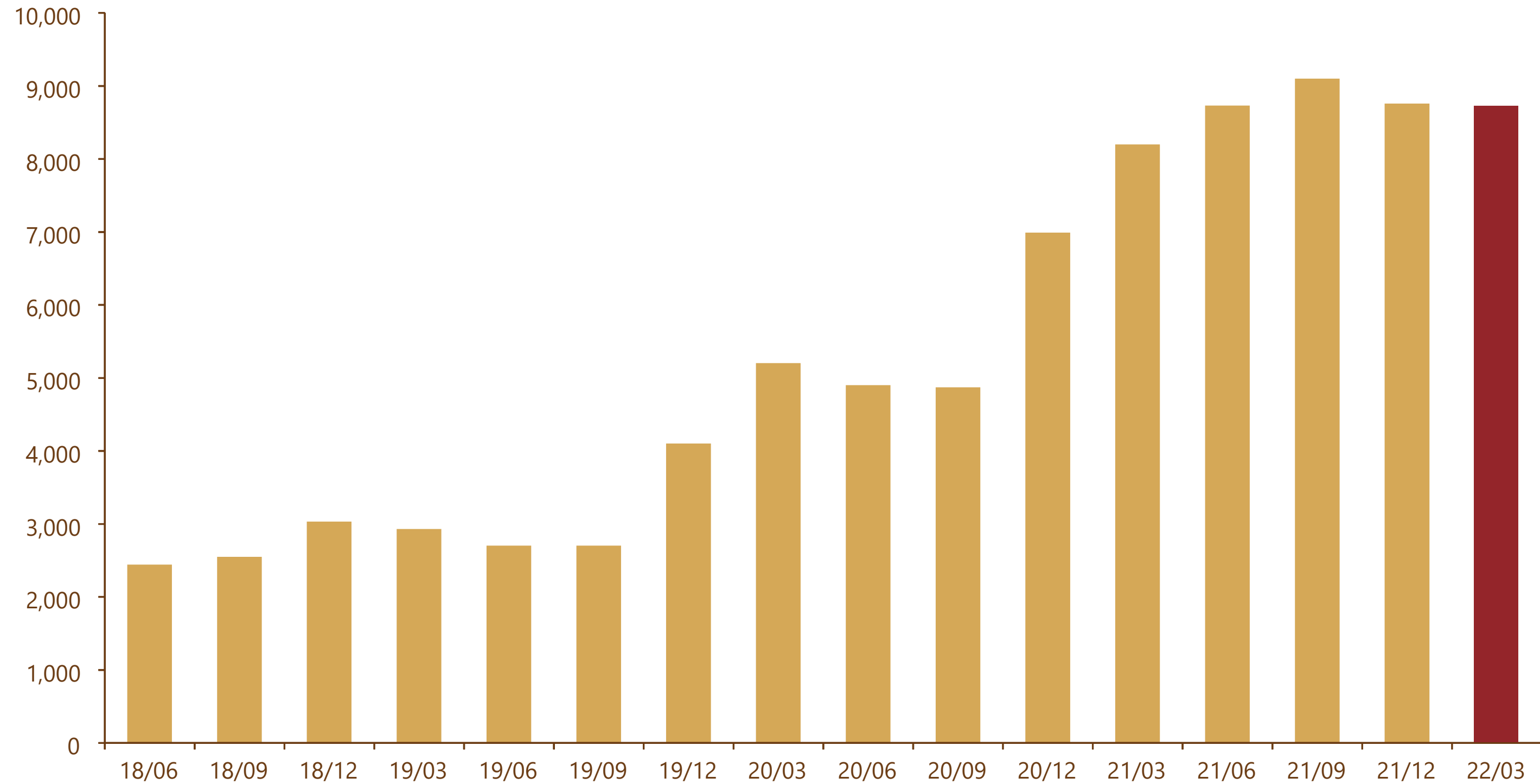
- Establish a sales base to expand business in China over the medium to long term.
- Conduct IP licensing as the Chinese base of the IP Business Division.



Sales Trend in Online/Mobile



(Million Yen)



Developer



FIRE EMBLEM 無双
ファイアーエムブレム ムソウ
フウカセツゲツ
風花雪月

Nintendo Switch™

Fire Emblem Warriors: Three Hopes

June 24, 2022



PlayStation® 4/Nintendo Switch™/Windows® (Steam®)

Nobunaga's Ambition Shinsei^[1]

July 21, 2022

[1] English Name is tentative 31

1. Excellent Power of Development, Technology, and Project Management
2. Multi-layered Revenue Cycle



1. Excellent Powers of Development, Technology, and Project Management



Recent Performance

Power of Development

- Creation of new IPs
- Know-how gathered through over **40 years of game development** (Action/ Simulation/ RPG)
- **Oriental Worldview**

Power of Technology

- Our original game engine **Katana Engine™**
- Effective and efficient multi-platform strategy

Power of Project Management

- Strong control over **Delivery Time, Quality and Budget**
- Promotion of the collaboration strategy

- Success of Nioh
- Success of Romance of the Three Kingdoms Ha-do
- Success of Romance of the Three Kingdoms IP in China (IP licensing-out)

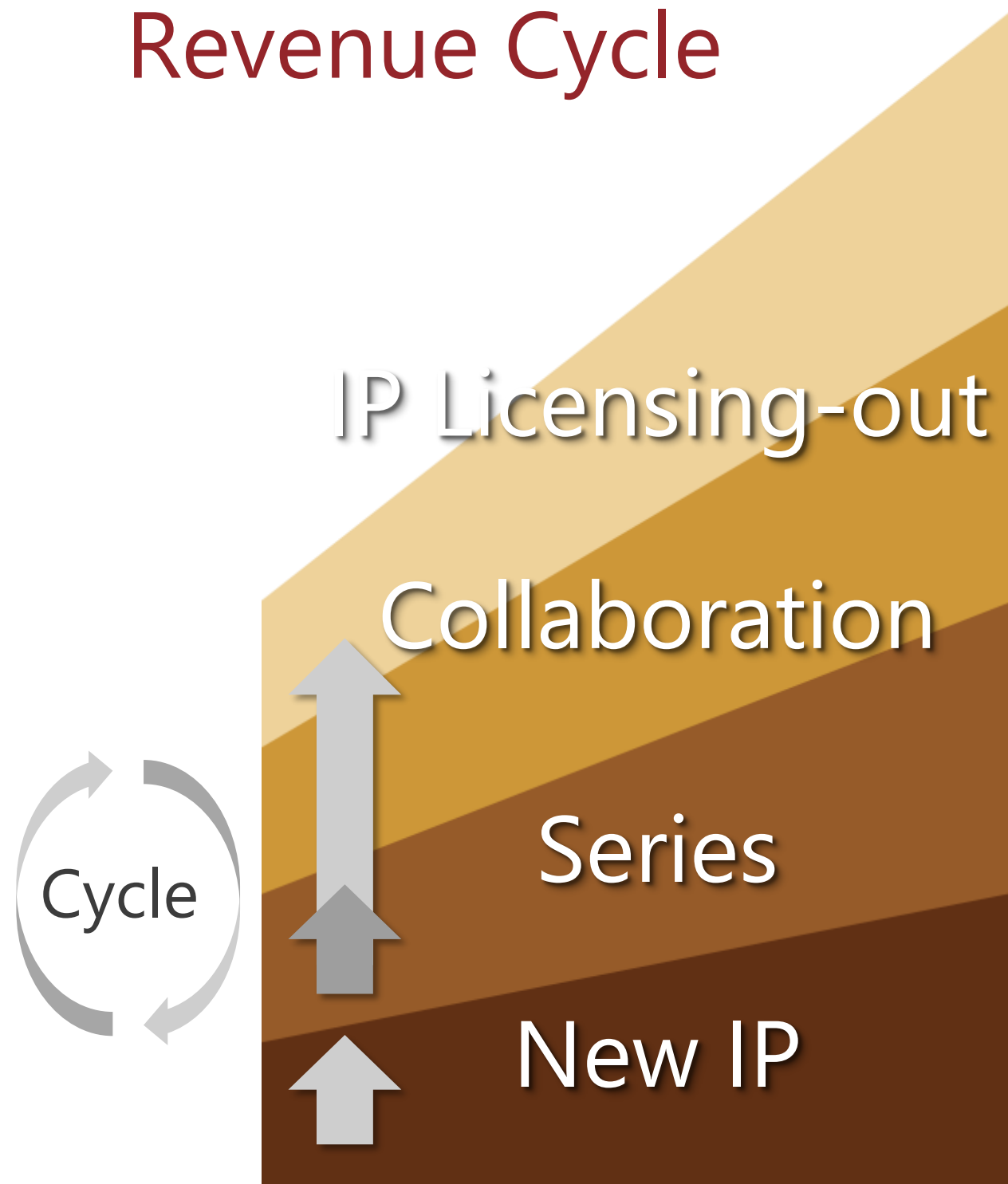
- Globally promoting multi-platform access to our games
- Utilization of AI in historical simulation games

- Strong control over **Delivery Time, Quality and Budget**
- Successfully managing 5-year development plan

2. Multi-layered Revenue Cycle



Multi-layered Revenue Cycle



- ### IP Licensing-out

 - Utilizing IP assets cultivated over many years
- ### Collaboration

 - Leveraging development capabilities to collaborate with leading global IP
 - Making collaboration titles into series
- ### Series

 - Expansion of spin-off titles derived from existing series
 - Smartphone titles derived from console IP
- ### New IP

 - Creation of a title with sales of 5 million copies
 - 2 million copies class console title every year
 - Smartphone title with monthly sales of 2 billion yen
 - Smartphone titles with monthly sales of 1 billion yen

Recent Performance

- Three Kingdoms Tactics continues to perform exceedingly well
 - negotiating for future pipeline
- Touken Ranbu Musou^[1]
 - STRANGER OR PARADISE FINAL FANTASY ORIGIN
 - Fire Emblem Warriors: Three Hopes
- SAMURAI WARRIORS 5
 - DYNASTY WARRIORS 9 Empires
 - Atelier Sophie 2 ~The Alchemist of the Mysterious Dream~
 - Nobunaga's Ambition: Shinsei ^[1]
- Under development

[1] English Names are tentative 34



株式会社コーエーテッ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.

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