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# Financial Results for the Third Quarter of the Fiscal Year Ending March 2024

January 29, 2024

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

## Performance

- Focus on repeat sales in the video game sector.
- Further increase of sales in the online/mobile game sector brought by the new titles released during Q2.

## Topics

- Planned release of new titles and expansion of mobile titles to new platforms and regions during Q4.
- Announced that the major title, "Rise of the Ronin," will be released in March 2024.

(Million Yen)

	FY22 Q3 (YTD)		FY23 Q3 (YTD)		Vs Previous Year	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Percent Change
<b>Sales</b>	49,439	-	<b>61,136</b>	-	11,697	23.7%
<b>Operating Profit</b>	22,994	46.5%	<b>20,316</b>	33.2%	(2,678)	(11.7%)
<b>Ordinary Profit</b>	16,880	34.1%	<b>33,825</b>	55.3%	16,945	100.4%
<b>Net Profit</b>	13,477	27.3%	<b>24,283</b>	39.7%	10,806	80.2%

		3rd Quarter (Oct. - Dec. '23)
Package	<b>Fate/Samurai Remnant</b> PlayStation®5/PlayStation®4/Nintendo Switch™/Steam® Co-develop with TYPE-MOON, production-corporation with ANIPLEX	<b>Now on sale</b> Global
	<b>Wo Long: Fallen Dynasty DLC3</b> PlayStation®5/ PlayStation®4/Xbox Series X S/Xbox One/Steam®/Windows	<b>Released in Nov.</b> Global
Online	<b>NOBUNAGA'S AMBITION: Hadou<sup>[1]</sup></b> iOS/Android	<b>1st Anniv. in Dec.</b> Japan
Mobile	<b>NOBUNAGA'S AMBITION: Shutsujin<sup>[1]</sup></b> iOS/Android	<b>Now Available</b> Japan
	<b>Atelier Resleriana: Forgotten Alchemy and the Polar Night Liberator</b> iOS/Android Co-develop with Akatsuki Games	<b>Now Available</b> Japan
	<b>IP Licence Dynasty Warriors M</b> iOS/Android Developed and published by NEXON	<b>Released in Nov.</b> Global

[1] English Name is tentative

# Results by Business Segment



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		(Million Yen)		
		FY22	FY23	VS
		Q3(YTD)	Q3(YTD)	Previous year
Entertainment	Sales	46,298	<b>57,393</b>	11,095
	Operating Profit	22,456	<b>20,077</b>	(2,379)
Amusement	Sales	2,265	<b>2,910</b>	645
	Operating Profit	396	<b>485</b>	89
Real Estate	Sales	946	<b>902</b>	(44)
	Operating Profit	231	<b>102</b>	(129)
Others	Sales	276	<b>243</b>	(33)
	Operating Profit	(89)	<b>(349)</b>	(260)
Corporate & Elimination	Sales	(348)	<b>(312)</b>	36
	Operating Profit	-	-	-
Total	Sales	49,439	<b>61,136</b>	11,697
	Operating Profit	22,994	<b>20,316</b>	(2,678)

# Sales Amounts by Region



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(Million Yen)

	FY22 Q3(YTD)		FY23 Q3(YTD)		Vs Previous Year	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Percent Change
<b>Japan</b>	25,511	51.6%	<b>37,357</b>	61.1%	11,846	46.4%
<b>Overseas</b>	23,928	48.4%	<b>23,779</b>	<b>38.9%</b>	(149)	(0.6%)
<b>N. America</b>	5,317	10.8%	<b>5,172</b>	8.5%	(145)	(2.7%)
<b>Europe</b>	1,683	3.4%	<b>1,935</b>	3.2%	252	15.0%
<b>Asia</b>	16,928	34.2%	<b>16,672</b>	27.3%	(256)	(1.5%)
<b>Total</b>	49,439	100.0%	<b>61,136</b>	100.0%	11,697	23.7%

# Units Sold by Region/ Number of DL



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(1000 Copies)

	FY22 Q3(YTD)		FY23 Q3(YTD)		Vs Previous Year	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Percent Change
<b>Japan</b>	1,890	31.6%	<b>1,770</b>	34.9%	(120)	(6.3%)
<b>Overseas</b>	4,090	68.4%	<b>3,300</b>	<b>65.1%</b>	(790)	(19.3%)
<b>N. America</b>	1,860	31.1%	<b>1,490</b>	29.4%	(370)	(19.9%)
<b>Europe</b>	980	16.4%	<b>790</b>	15.6%	(190)	(19.4%)
<b>Asia</b>	1,250	20.9%	<b>1,020</b>	20.1%	(230)	(18.4%)
<b>Total</b>	5,980	100.0%	<b>5,070</b>	100.0%	(910)	(15.2%)
<b>DL Units</b>	4,020		<b>3,760</b>		(260)	
<b>DL Ratio</b>	67.2%		<b>74.2%</b>		+7.0pt	

# Breakdown on the Sales for Entertainment Segment



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		(Million Yen)			
		FY22	FY23	VS	% Change
		Q3(YTD)	Q3(YTD)	Previous year	
<b>Console</b>	Package <sup>[1]</sup>	9,438	<b>8,463</b>	(975)	(10.3%)
	DL <sup>[2]</sup>	9,930	<b>10,060</b>	130	1.3%
	DLC <sup>[3]</sup>	1,400	<b>1,990</b>	590	42.1%
		20,768	<b>20,513</b>	(255)	(1.2%)
<b>Online/</b>	PC Online <sup>[4]</sup>	640	<b>430</b>	(210)	(32.8%)
<b>Mobile</b>	Smartphone/Social <sup>[5]</sup>	24,370	<b>35,850</b>	11,480	47.1%
	Others	120	<b>0</b>	(120)	(100.0%)
		25,130	<b>36,280</b>	11,150	44.4%
<b>Events &amp; Goods</b>		400	<b>600</b>	200	50.0%
<b>Sales for Entertainment Segment</b>		46,298	<b>57,393</b>	11,095	24.0%
<b>Digital Sales<sup>[6]</sup></b>		36,460	<b>48,330</b>	11,870	32.6%
<b>Digital Sales Ratio</b>		78.8%	<b>84.2%</b>	+5.4pt	

[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.

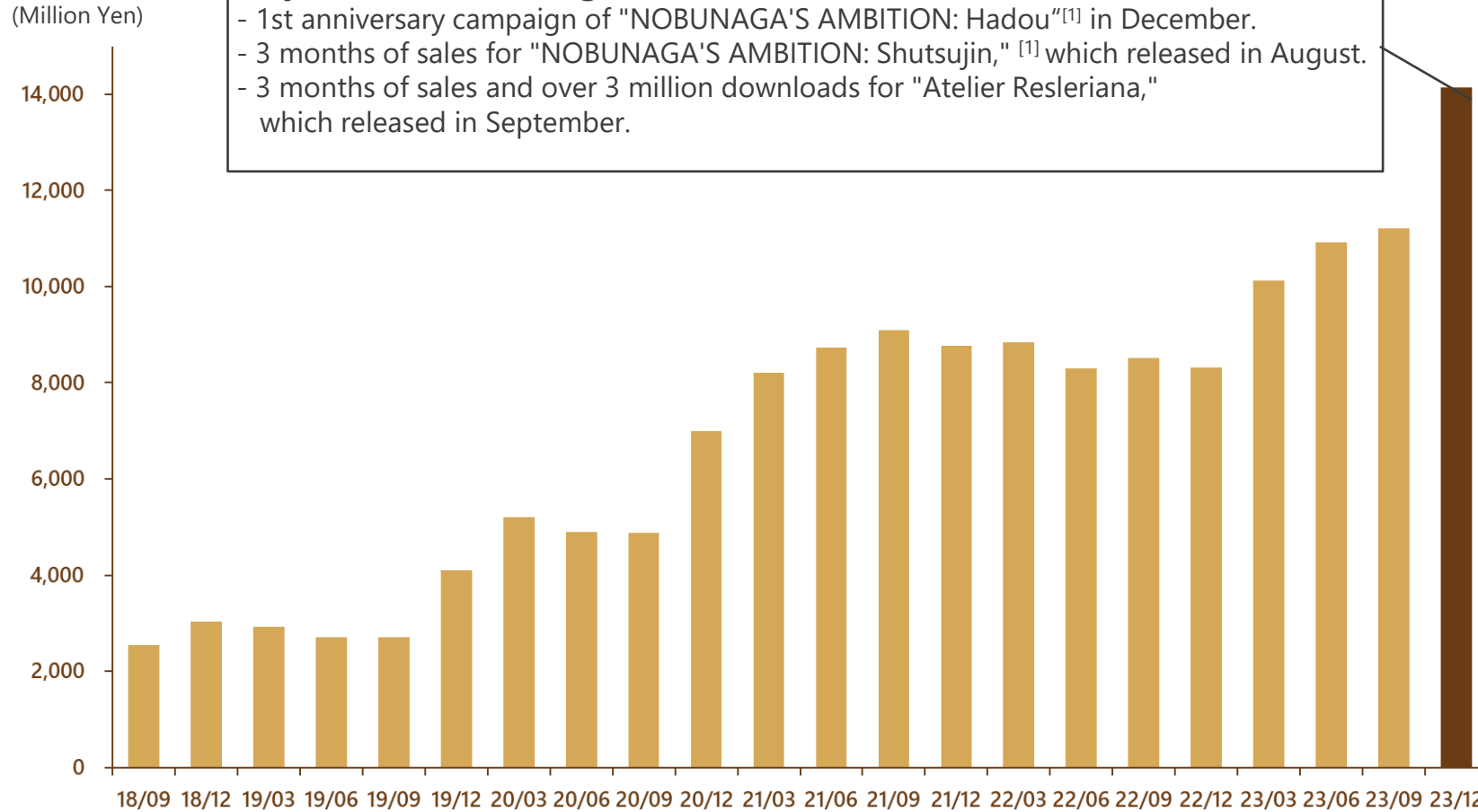
[5]Including sales for smartphone games, social games, browser games, and royalty from IP licensing-out

[6]Sum total for DL and DLC, online, and mobile sales.



**Major Activities during Q3:**

- 1st anniversary campaign of "NOBUNAGA'S AMBITION: Hadou"<sup>[1]</sup> in December.
- 3 months of sales for "NOBUNAGA'S AMBITION: Shutsujin,"<sup>[1]</sup> which released in August.
- 3 months of sales and over 3 million downloads for "Atelier Resleriana," which released in September.



[1] English Name is tentative

		(million yen/headcounts)			
		FY22	FY23	VS	
		Q3(YTD)	Q3(YTD)	Previous year	% Change
Employment Cost	COGS	12,420	14,020	1,600	12.9%
	SGA	3,190	3,490	300	9.4%
		15,610	17,510	1,900	12.2%
Contracting Cost	COGS	3,400	6,080	2,680	78.8%
Advertising/ Promotional Cost	SGA	1,810	3,490	1,680	92.8%
Total Headcount <sup>[1]</sup>		2,400	2,545	145	6.0%

[1]Excluding temporary employees.

## Other Expenses during three months of Q3 compared to Q2:

- Platform and royalty fees of mobile titles has increased.
- Reduction of development costs incurred from business partners was on the same level as the previous quarter.

(Million Yen)

	FY22 Results		FY23 Plan		Vs Previous Year	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Percent Change
<b>Sales</b>	78,417	-	<b>95,000</b>	-	16,583	21.1%
<b>Operating Profit</b>	39,133	49.9%	<b>37,500</b>	39.5%	(1,633)	(4.2%)
<b>Ordinary Profit</b>	39,899	50.9%	<b>40,500</b>	42.6%	601	1.5%
<b>Net Profit</b>	30,935	39.4%	<b>31,000</b>	32.6%	65	0.2%

In view of sales trends of new titles from the fourth quarter onward and non-operating income due to shifts in the world economy and financial environment, no revisions have been made the yearly earnings forecast.

		Release date
		Region
Package	<p><b>Wo Long: Fallen Dynasty Complete Edition</b></p> <p>PlayStation®5/ PlayStation®4/Xbox Series X S/Xbox One/Steam ®/Windows Digital Only</p>	<p><b>February 7, 2024</b></p> <p><b>Global</b></p>
	<p><b>Fate/Samurai Remnant DLC1</b></p> <p>PlayStation®5/PlayStation®4/Nintendo Switch™/Steam®</p> <p>Co-develop with TYPE-MOON, production-corporation with ANIPLEX</p>	<p><b>Feb, 2024</b></p> <p><b>Global</b></p>
New title	<p><b>Rise of the Ronin</b></p> <p>PlayStation®5</p> <p>Published by Sony Interactive Entertainment</p>	<p><b>March 22, 2024</b></p> <p><b>Global</b></p>
New title	<p><b>Winning Post 10 2024</b></p> <p>PlayStation®5/PlayStation®4/Nintendo Switch™/Windows®/Steam®</p>	<p><b>March 28, 2024</b></p> <p><b>Japan</b></p>
New title	<p><b>Romance of the Three Kingdoms 8 Remake</b></p> <p>PlayStation®5/PlayStation®4/Nintendo Switch™/Steam®</p>	<p><b>Year 2024</b></p> <p><b>Global</b></p>
Online Mobile	<p>PF and Region Expansion</p> <p><b>Atelier Resleriana: Forgotten Alchemy and the Polar Night Liberator</b></p> <p>iOS/Android/Steam®</p> <p>Co-develop with Akatsuki Games</p>	<p><b>Steam®: Jan.10,2024</b></p> <p><b>Oversea: Jan.25,2024</b></p> <p><b>Global</b></p>



PlayStation®5

# 『Rise of the Ronin』

Scheduled released: March 22, 2024

## Entered into a capital and business alliance with Akatsuki Inc.

KOEI TECMO underwrote a third-party allotment of Akatsuki Inc. shares through a disposition of treasury stock and began building a relationship toward a business partnership. In addition to strengthening collaboration on our mobile title currently under joint management, KOEI TECMO and Akatsuki Inc. will work to create more business opportunities in the future.

<Summary of underwriting of Akatsuki Inc. Shares>

- Number of shares acquired: 1,130,000 shares

(7.97% of Akatsuki Inc.'s total number of shares issued and outstanding as of September 30, 2023)

- Total acquisition cost: ¥2,387,000,000



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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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