



Level up your happiness

# **Financial results for the first quarter of the fiscal year ending March 2026**

KOEI TECMO HOLDINGS CO., LTD.

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# 1. Financial Highlights and Forecasts

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## agenda

1. Financial Highlights and Forecasts
2. Business Highlights
3. Frequently Asked Questions - Summary of Disclosed Information

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This is Asano, Senior Managing Executive Officer and CFO.

Thank you very much for participating in the financial results briefing today.

I would like to explain the financial results highlights and earnings forecasts.

Financial Highlights: Consolidated Results

(Million Yen)

	FY24 Q1		FY25 Q1		Vs Previous Year	
	Amount	Profit Ratio	Amount	Profit Ratio	Amount	Percent Change
Sales	17,607	-	14,800	-	(2,807)	-15.9%
Operating Profit	5,723	32.5%	3,574	24.1%	(2,149)	-37.6%
Ordinary Profit	18,703	106.2%	8,769	59.3%	(9,934)	-53.1%
Net Profit	13,638	77.5%	6,072	41.0%	(7,566)	-55.5%

◆YoY increase or decrease

[Sales] Entertainment business(online and mobile sector)decreased  
[Cost] Decreased. Personnel costs increased,variable costs decreased.  
[Non-operating] Rebound decline from the previous fiscal year

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The consolidated results for the first quarter are as described.

In the current period, there were no major new releases, and existing titles were the main focus.

Compared to the previous year, sales and profit decreased mainly due to a decrease in sales in the online and mobile sector, mainly in the entertainment segments.

Although personenel costs have increased, variable costs decreased due to a decrease in sales.

Non-operating income decreased as a reaction to the previous year's high earnings.

## Financial Highlights by Segment

		(Million Yen)		
		FY24 Q1	FY25 Q1	Change
<b>Entertainment</b>	Sales	16,581	<b>13,583</b>	(2,998)
	Operating Profit	5,701	<b>3,706</b>	(1,995)
<b>Amusement</b>	Sales	757	<b>1,054</b>	297
	Operating Profit	15	<b>103</b>	88
<b>Real Estate</b>	Sales	280	<b>312</b>	32
	Operating Profit	65	<b>75</b>	10
<b>Others</b>	Sales	78	<b>77</b>	(1)
	Operating Profit	(58)	<b>(310)</b>	(252)
<b>Corporate &amp; Elimination</b>	Sales	(90)	<b>(226)</b>	(136)
	Operating Profit	-	<b>-</b>	-
<b>Total</b>	Sales	17,607	<b>14,800</b>	(2,807)
	Operating Profit	5,723	<b>3,574</b>	(2,149)

### ◆ YoY increase or decrease

[Entertainment]	Sales decline in the online mobile sector
[Amusement]	SP business increase in licensing income
	AM facility business new store contribution (opened in July 24)
[Real Estate]	Concert hall “KT Zepp Yokohama” contributed

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The results by segment are as you can see.

The Entertainment segment is as described in the consolidated results.

The amusement segment saw an increase in licensing revenue from the SP business,  
and the amusement facility business benefited from stores opened in the previous year.

The real estate segment increased due to the contribution of KT Zepp Yokohama.

The venture capital business in the other segment booked management costs of invested funds.

Earnings Forecast

	FY24 Results		FY25 Forecast		VS Previous Year	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Sales	83,150	-	92,000	-	8,850	10.6%
Operating Profit	32,119	38.6%	31,000	33.7%	(1,119)	-3.5%
Ordinary Profit	49,988	60.1%	37,000	40.2%	(12,988)	-26.0%
Net Profit	37,628	45.3%	27,000	29.3%	(10,628)	-28.2%
Dividend per Share(Yen)	60	-	43	-	(17)	-28.3%
Payout Ratio	50.4%	-	50.3%	-	(0.1pt)	-

◆ Assumptions for earnings forecasts

- New titles are concentrated in the second half of the year.  
The forecast includes titles that have not been announced at this time.
- There is no major risk assumption such as large temporary expenses

◆ Progress

- As of the first quarter, the operating profit was higher than the internal plan
- Forecasts are unchanged at this time as they are affected by sales trends of new titles

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I would like to explain the earnings forecast.

In the current fiscal year, the launch of new titles is concentrated in the third quarter and beyond.  
Both sales and profit are planned to be high in the second half of the year.

Therefore, as of the first quarter, there are no revisions to our forecasts at this time although the operating profit exceeded the internal plan.

## Tokyo Stock Exchange Prime Market Listing Criteria Compliance Status

### Implement measures to comply with the listing standards on the Prime Market

#### ◆Policy

- Maintain listing on the Prime Market of the Tokyo Stock Exchange
- Measures to comply with listing criteria will be implemented by the end of March 2026.

#### ◆Situation

- Listing maintenance criteria (improvement period: until the end of March 2026)  
Tradable share ratio 35% or more; 29.9% as of the end of March 25

#### ◆Measures

Under consideration. Prompt disclosure as soon as a decision is made

\*For more details, please refer to the timely disclosure published on June 30, 2025. [https://www.koeitecmo.co.jp/e/news/docs/ir6\\_20250630\\_02e.pdf](https://www.koeitecmo.co.jp/e/news/docs/ir6_20250630_02e.pdf)

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I will explain about compliance with the Tokyo Stock Exchange Prime Market listing criteria.

Based on the decisions made by the Board of Directors,  
we will take measures to maintain listing.

As of the end of March 2025, the ratio of tradable shares was 29.9%.  
in order to meet the 35% of the listing maintenance standard,  
we are considering measures to be implemented until the end of March  
2026.

The specific details will be disclosed as soon as they are decided.

This concludes the explanation of the financial results.

## 2. Business Highlights

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### agenda

1. Earnings Highlights and Forecasts
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This is Hatsuta, the general manager of the Corporate Planning Department.

First, I would like to explain the business highlights.

Business Highlights: Entertainment Business Revenue Breakdown

The first quarter was dominated by existing titles, with no major movements

		(Million Yen)		
		FY24 Q1	FY25 Q1	Change
Console/PC <sup>[1]</sup>	Package etc <sup>[2]</sup>	2,810	2,163	(647)
	DL	3,260	3,510	250
	DLC	580	380	(200)
		6,650	6,053	(597)
Online/Mobile	Online	110	80	(30)
	Mobile	9,720	7,350	(2,370)
		9,830	7,430	(2,400)
Events & Goods		100	100	0
Sales for Entertainment Segment		16,581	13,583	(2,998)

◆YoY increase or decrease

- No major new releases in both the previous and current year
- [Console/PC] Sales from collaborative business declined due to a rebound from previous year
- [Online Mobile] FY2023 title sales and licensing royalties decreased

\*1 Includes in-house titles, collaboration/collaboration titles. Publishing titles from other companies that are recorded as royalties are also divided and aggregated by product type.  
\*2 In addition to physical package sales, it includes royalties for distribution licenses, development consideration sales, down payments, etc. The breakdown and increase or decrease of the amount are not disclosed.  
\*3 Includes royalty sales for IP licensed titles in operation. The amount and ratio of IP licensing sales are not disclosed.

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You can see the breakdown of sales in the entertainment segment.

It was a quarter without any major new releases in both the previous and current quarters.

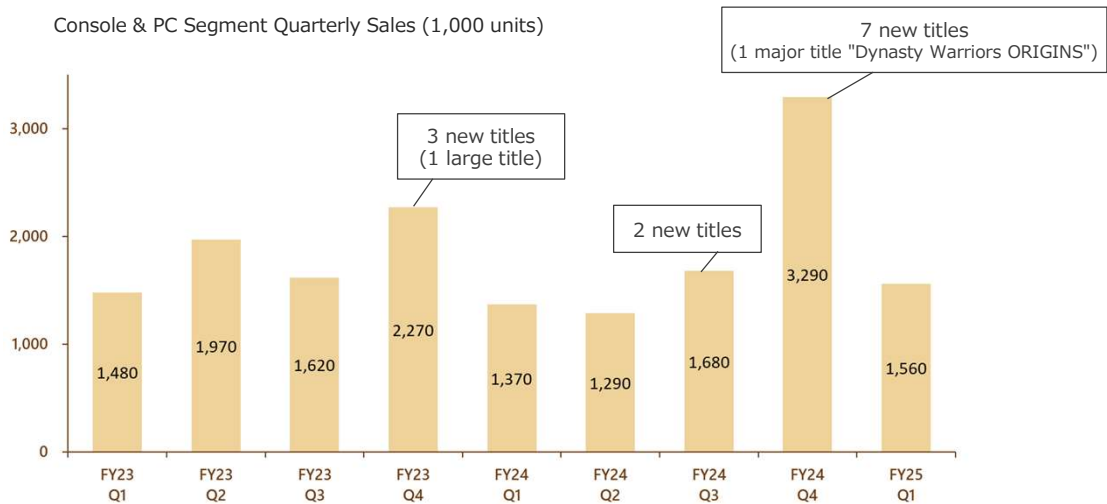
In the console and PC sector, back catalog sales were steady, sales from collaborative business declined.

In the online mobile sector, titles that started in FY2023 and license royalties decreased.



Business Highlights: Entertainment Business Console & PC Segment Sales Volume

- No major new releases
- Upside to the plan that was expected conservatively



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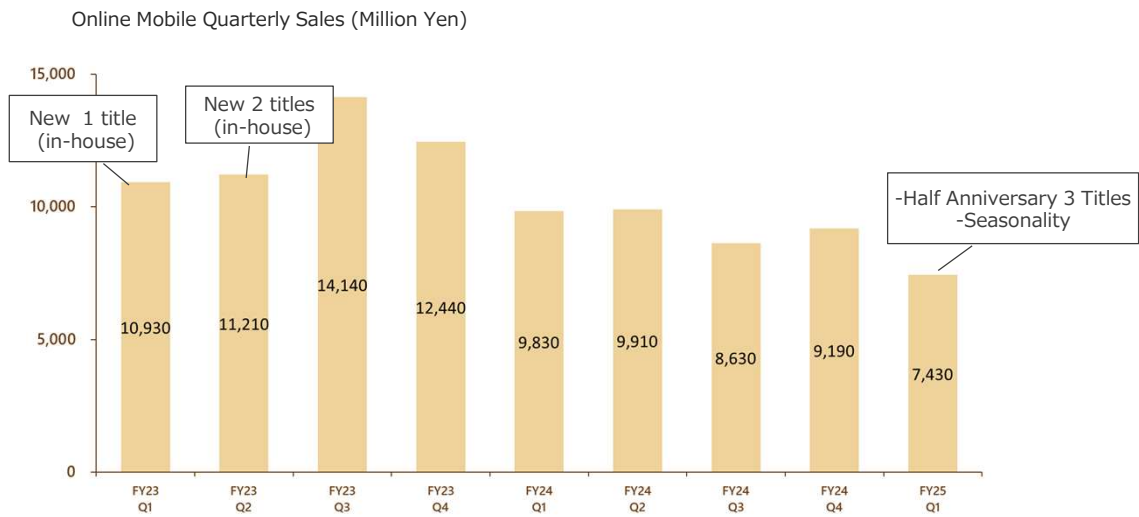
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Sales in the console and PC segment were 1.56 million units in the first quarter.

This quarter, we released the complete version of "NOBUNAGA'S AMBITION: Awakening".  
The back catalog was an upward trend from the plan that was considered conservative.

Business Highlights: Entertainment Business Online and Mobile Sales

- There will be no major events in the first quarter.



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This is the sales trend in the online and mobile sector.

Titles that had strong sales in the 4th quarter due to semi-annual measures and seasonality

In the first quarter, there was a rebound decline.

In order to raise the level of sales, we are developing several own titles. Also, licensed titles are launching and expanding regionally.

These are the business highlights for the first quarter.

### **3. Frequently Asked Questions**

#### **- Summary of Disclosed Information**

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**agenda**

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From here, about the questions we often receive from investors,  
I will explain according to the information has been disclosed before.

## Frequently Asked Questions: Forecast Assumptions and Cost Structure

Q. The financial summary of FY24 says the forecast for FY25 includes “upfront investments”. Does it mean there would be a significant expense?

A. There is no special cost. From an accounting perspective, the expenses for the current period include development costs for future titles.

Accounting and PL structure

◆ **Development costs are recognized as cost of goods sold (COGS) in the period they are incurred, rather than being recorded as work-in-progress (WIP).**

• The development costs for the current fiscal year include the costs of titles that will be launched both in the current year and in the future. Therefore, no future impairment write-downs or valuation write-offs will occur.

◆ **The performance for the fiscal year depends on the magnitude of sales from the titles launched in relation to the expenses, including upfront investments.**

• The new title is a key driver. New titles tend to boost profits when they are launched.

• The amount and rate of operating profit fluctuate depending on the lineup of titles (number, scale and the scheme of each titles)

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I will explain the assumptions for FY2025 earnings forecasts and the cost structure.

Regarding our earnings forecast, we've previously communicated that development investments will precede in FY2025. However, we do not anticipate any extraordinary cost bookings, such as one-off expenses.

We record development costs on an incurred basis.

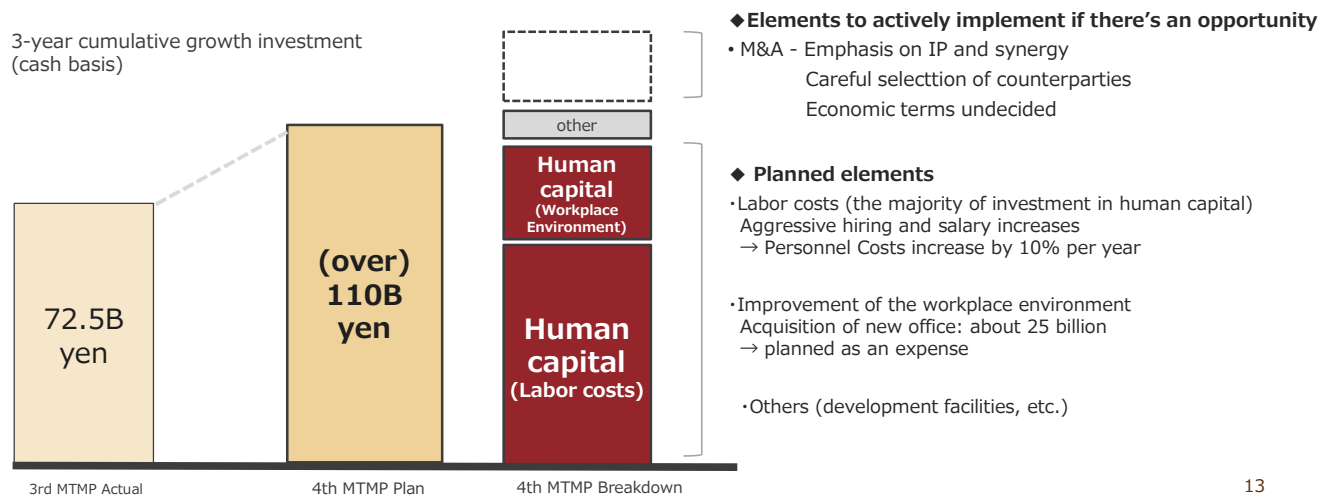
Therefore, the expenses recorded in the current fiscal year include not only titles that will be launched within the fiscal year, It includes the development cost of titles planned for the next fiscal year and beyond.

Our performance will fluctuate based on how much revenue we can generate against the costs, including these upfront investments. Additionally, our profit amount and profit margin will vary depending on the number, scale, and business model of our new titles.

## Frequently Asked Questions: 4th MTMP Cash Allocation (Growth Investment)

Q. Will you significantly increase labor costs as a growth investment? Is the M&A planned?

A. Most of the investment is about human capital, including the acquisition of a new office.  
Labor costs are increasing at the same pace as before



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\*Restructured the 4th MTMP disclosed in April 2025. The height of the graph is an image and is not proportional to the absolute amount

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Regarding the cash allocation of the 4th MTMP,  
We received many questions about the content of growth investment.

Most of our growth investments are for human capital.  
It includes personnel costs for three years and 25 billion yen for  
acquiring a new office.  
Labor costs are expected to increase at an annual pace of about 10%  
due to recruitment and salary increases.

Regarding M&A, we will actively implement it if there is an opportunity.  
It is a policy to carefully select with an emphasis on IP and synergy,  
Since there are no specific plans at the moment, we have not included  
them in the plan.

By actively investing in human capital,  
We will promote the creation of a foundation for the medium to long  
term.

## Frequently Asked Questions: 4th MTMP Cash Allocation (Return)

Q. Will the returns in the 4th MTMP be made in accordance with the MTMP Policy?

A. We will do it in accordance with the basic policy of shareholder return

In addition to that, we will implement the MTMP policy

Return policy

Basic  
Policy

Consolidated annual total allocation ratio of 50%, or annual dividend of 50 yen per share

\*Total allocation ratio includes dividends and share buybacks. Dividend amount per share is approximate

▶ **During the 4th MTMP Period, we will give back based on the basic policy**



4th MTMP  
Policy

• Profit return through dividends

• Aiming to increase total dividends through business (operating income) growth

▶ **Based on the basic policy, the policy to be added as the 4th MTMP Plan**

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\*Restructuring of the 4th MTMP disclosed in April 2025

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I would like to explain the dividend policy of the 4th MTMP.

During the MTMP period, we will also implement rebates in accordance with the basic policy described above.

In this policy, as to be added as the 4th MTMP,

- Return is done by dividends
- Realizing dividend growth through the growth of operating income

Achieving an increase in operating profit through aggressive growth investment, and by returning it to our shareholders, we will achieve high returns.

Frequently Asked Questions: 4th MTMP Pipeline

Q.What is the status of the 4th MTMP Pipeline?

A. Against the backdrop of expanding the development system, we aim to grow both the quality and quantity of the pipeline while placing importance on portfolio balance.

◆The 3rd MTMP Pipeline

Challenge to create a large-scale hit

- 5 million or 2 million large-scale titles
- Monthly sales of 1 billion, 2 billion yen mobile titles
- New IP, New genre

Sector	Category	FY22	FY23	FY24	Total
Console PC	Major	3	2	1	6
	Other	8	3	8	19
Online mobile	operated by our own	2	3	-	5

◆The 4th MTMP Pipeline

Risk management across portfolios

- 4th MTMP Goals  
"Growth in Number and Quality of pipelines"
- Lineup organization with a balance of scale
- Scrutinize the degree of risk-taking with market size

Sector	Category	FY25	FY26	FY27	Total
Console PC	Major	The number and scale of titles are to be refined based on the 3rd MTMP.			
	Other				
Online mobile	operated by our own				

\*Number of titles that have been announced (in-house):  
Console&PC : 3 large and 4 other titles, Online mobile : 1 title

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\*Restructuring of the 4th MTMP disclosed in April 2025

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Let's talk about pipelines.

During the 4th MTMP Period, we continue to release new products every year without interruption.

The number and scale of titles will be the same as the three years of the 3rd MTMP as a whole.

Against the backdrop of expanding the development system through active recruitment, we will achieve the growth of the number and quality of pipelines.

In addition to placing the main large titles, we also place low-risk titles appropriately,  
We aim to balance across our portfolio and take appropriate risks.

Currently, the titles that can be disclosed are limited,  
Based on the five-year development roadmap, many new titles are in development.

4th MTMP Announced Pipeline

- A generous number of new titles will be launched during the 4th MTMP Period.
- Announced the large-scale title "NIOH 3"

Segment	Title/Platform*		Launch	Region	Publisher	Publisher
Console PC	NOBUNAGA'S AMBITION: Awakening Complete Edition Nintendo Switch™ 2 /PlayStation®5		Jun.2025	Global	KOEI TECMO GAMES	KOEI TECMO GAMES
	WILD HEARTS S Nintendo Switch™ 2		Jul.2025	Global	KOEI TECMO GAMES	KOEI TECMO GAMES
	NINJA GAIDEN: Ragebound (IP License) PlayStation®5/PlayStation®4/Nintendo Switch™™/Xbox SeriesX S/Xbox one/Windows(Steam)		Jul.2025	Global	The Game Kitchen	Dotemu
	NINJA GAIDEN 4 Xbox Series X S/Xbox Game Pass/Windows(MS Store, Steam)/PlayStation®5	Major title Collaborative	Oct.2025	Global	PlatinumGames KOEI TECMO GAMES (Co-development)	Xbox Game Studios
	Atelier Ryza Secret Trilogy Deluxe Pack PlayStation®5/PlayStation®4/Nintendo Switch™™ 2/Nintendo Switch™™™ /Windows(Steam)		2025	Global	KOEI TECMO GAMES	KOEI TECMO GAMES
	Hyrule Warriors: Age of Imprisonment Nintendo Switch™ 2	Major title Collaborative	This winter	Global	KOEI TECMO GAMES	Japan:KOEI TECMO GAMES Overseas:Nintendo
	NIOH 3 PlayStation®5/Windows(Steam)	Major title	Early 2026	Global	KOEI TECMO GAMES	KOEI TECMO GAMES (Mid. east Asia and north Africa: Manga Productions)
Online mobile	Kingdom: Hadou iOS/Android		TBD (CBTest:Jan,2025)	Japan	Bandai Namco Entertainment KOEI TECMO GAMES (Co-development)	Bandai Namco Entertainment
	Nubunaga's Ambition:Tenka heno Michi(IP License) iOS/Android		2025年6月	Japan	TENDA Games Kingnet	GRAVITY GAME ARISE
	Shin Sangokushi Sousouden(IP License) iOS/Android		2025年6月	China	CMGE	CMGE

Note: Including title without an English name

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The pipeline currently published is as described.

In June, we announced "Nioh 3", the latest work in the series, which has exceeded 8 million copies in total.  
On the same day as the announcement, we distributed a trial version.  
We are developing it for release in early 2026.

In addition to the ones listed, several unannounced titles are scheduled to be launched within the year.



## Frequently Asked Questions: Entertainment Business Regional Strategy

Q.What are the regions you want to expand in the future? what are the strategies for each region?  
A.Promote a global approach from regions with high growth potential in each sector

### Sector and Regional Strategies

#### ◆ Console and PC sector

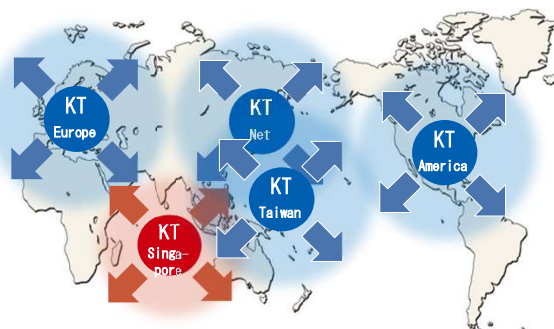
There is room for growth, mainly in North America, Europe, and China  
→ Strengthening the system for the success of large-scale titles in the global market

#### ◆ Online and mobile sector

Japan, China + neighboring regions are the priority areas for the time being  
→ Aiming for global expansion in the medium to long term

#### ◆ Market development and research

Based on Koei Tecmo Singapore, we aim to develop emerging countries in India and Southeast Asia.



Red: Development base, Blue: Sales base

\*Koei Tecmo Singapore (KTS), the development base of the Koei Tecmo Group. Develops and operates titles and produces CG.

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\*Reconstructed financial results explanatory materials disclosed in October 2024

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We will explain the regional strategy of the entertainment business.

The console PC segment sees room for growth, mainly in the Western markets. In particular, we recognize that increasing sales in Europe and the United States is essential for the success of major titles. We will continue to build a marketing and publishing system for long term. Most recently, ω-Force, TeamNINJA and AAA studios have been pioneering the western market.

In the online mobile sector, Japan and China and surrounding regions continue to be the focus areas. In the long term, we aim to expand in a wide area of the world.

The first is the Shibusawa Kou brand, but each department is working on title development.

In addition, starting from Koei Tecmo Singapore, we will proceed with market research and development. We aim to be the first to enter the market where there is an opportunity.

This concludes the explanation of frequently asked questions.

## News「BUSINESS PLAN」

Disclosed the "BUSINESS PLAN 2025"  
with messages from new Chairman Erikawa and new President Koinuma

English material here: [https://www.koeitecmo.co.jp/e/news/docs/ir6\\_20250619\\_e.pdf](https://www.koeitecmo.co.jp/e/news/docs/ir6_20250619_e.pdf)

**長期ビジョン**

**デジタルエンタテインメント企業 世界トップ10入り\***を目指す

「世界トップ10入り」は、デジタルエンタテインメント分野において「世界トップ10入り」を目指す。デジタルエンタテインメント分野は、ゲーム、アニメ、マンガ、映画、音楽など、多岐にわたる分野にわたる。デジタルエンタテインメント分野は、ゲーム、アニメ、マンガ、映画、音楽など、多岐にわたる分野にわたる。デジタルエンタテインメント分野は、ゲーム、アニメ、マンガ、映画、音楽など、多岐にわたる分野にわたる。

**ビジョン**

**世界No.1のデジタルエンタテインメントカンパニー**

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**第4次中期経営計画**

**4つの目標**

①パイプライン 数の成長	②パイプライン 質の成長	③販売力の成長	④コスト効率の成長
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**新社長メッセージ**

新体制のもと、監督と執行の分離で、更なる持続的な成長を実現させます

新体制のもと、監督と執行の分離で、更なる持続的な成長を実現させます。新体制のもと、監督と執行の分離で、更なる持続的な成長を実現させます。新体制のもと、監督と執行の分離で、更なる持続的な成長を実現させます。新体制のもと、監督と執行の分離で、更なる持続的な成長を実現させます。

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\*Reconstructed financial results explanatory materials disclosed in October 2024

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Prior to the Q&A, I would like to inform you.

On the occasion of the transition to the new system from June  
"BUSINESS PLAN 2025" has been disclosed.

Focusing on interviews with the new chairman Arakawa and the new  
president Koinuma,  
We have posted medium- to long-term policies.

It is scheduled to be published on our corporate website, so please read  
it.

-END-