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## Consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]

July 31, 2023

Company name: KOEI TECMO HOLDINGS CO., LTD.

Stock exchange listing: Tokyo

Code number: 3635

URL: <https://www.koeitecmo.co.jp/>

Representative: Yoichi Erikawa

President & CEO (Representative Director)

Contact: Kenjiro Asano

Director, Senior Executive Officer & CFO

Phone: +81-45-562-8111

Scheduled date of filing quarterly securities report: August 10, 2023

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2023 (April 1, 2023 to June 30, 2023)

#### (1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2023	18,297	(1.9)	7,506	(35.6)	14,687	61.6	10,552	56.3
June 30, 2022	18,653	(9.1)	11,657	19.9	9,086	(50.6)	6,750	(49.6)

(Note) Comprehensive income: Three months ended June 30, 2023: ¥ 17,200 million [ -%]  
Three months ended June 30, 2022: ¥ (185) million [ -%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	33.46	31.24
June 30, 2022	21.43	19.86

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2023	232,799	144,254	61.7	455.43
March 31, 2023	210,889	142,684	67.4	450.72

(Reference) Equity: As of June 30, 2023: ¥ 143,667 million  
As of March 31, 2023: ¥ 142,143 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	0.00	-	50.00	50.00
Fiscal year ending March 31, 2024	-				
Fiscal year ending March 31, 2024 (Forecast)		0.00	-	50.00	50.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending March 31, 2024 :

Commemorative dividend	- yen
Special dividend	- yen

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2023	41,000	17.9	15,200	(17.0)	16,200	(8.3)	12,500	(8.4)	39.68
Full year	95,000	21.1	37,500	(4.2)	40,500	1.5	31,000	0.2	98.40

(Note) Revision to the financial results forecast announced most recently: No

### \* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name: )

Exclusion: - (Company name: )

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: Yes

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

June 30, 2023: 336,096,924 shares

March 31, 2023: 336,096,924 shares

2) Number of treasury shares at the end of the period:

June 30, 2023: 20,639,936 shares

March 31, 2023: 20,727,352 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2023: 315,383,426 shares

Three months ended June 30, 2022: 314,965,638 shares

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	12,529	30,488
Accounts receivable - trade, and contract assets	21,650	10,467
Securities	8,076	10,816
Merchandise and finished goods	94	79
Work in process	29	63
Raw materials and supplies	67	111
Other	6,684	12,903
Allowance for doubtful accounts	(17)	(1)
Total current assets	49,113	64,929
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	21,432	21,378
Land	13,974	14,312
Construction in progress	68	162
Other, net	1,461	1,464
Total property, plant and equipment	36,936	37,317
Intangible assets		
Other	245	230
Total intangible assets	245	230
Investments and other assets		
Investment securities	112,766	120,906
Deferred tax assets	5,622	2,772
Retirement benefit asset	1,805	1,984
Other	4,535	4,902
Allowance for doubtful accounts	(135)	(244)
Total investments and other assets	124,594	130,322
Total non-current assets	161,775	167,869
Total assets	210,889	232,799

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	1,169	1,313
Short-term borrowings	-	15,000
Accounts payable - other	4,573	13,558
Income taxes payable	4,112	3,078
Provision for bonuses	1,697	909
Provision for bonuses for directors (and other officers)	344	96
Other	8,121	6,497
Total current liabilities	20,019	40,453
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	47,341	47,140
Deferred tax liabilities	132	232
Other	711	718
Total non-current liabilities	48,185	48,090
Total liabilities	68,204	88,544
<b>Net assets</b>		
Shareholders' equity		
Share capital	15,000	15,000
Capital surplus	27,844	27,773
Retained earnings	145,046	139,830
Treasury shares	(38,639)	(38,476)
Total shareholders' equity	149,251	144,127
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(6,870)	(1,273)
Revaluation reserve for land	(3,115)	(3,115)
Foreign currency translation adjustment	3,034	4,081
Remeasurements of defined benefit plans	(157)	(153)
Total accumulated other comprehensive income	(7,108)	(460)
Share acquisition rights	541	587
Total net assets	142,684	144,254
Total liabilities and net assets	210,889	232,799

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Millions of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Net sales	18,653	18,297
Cost of sales	3,368	6,297
Gross profit	15,284	11,999
Selling, general and administrative expenses	3,626	4,492
Operating profit	11,657	7,506
Non-operating income		
Interest income	3,073	2,953
Dividend income	295	196
Gain on sale of investment securities	457	4,871
Gain on valuation of derivatives	1,857	2,842
Foreign exchange gains	838	593
Other	448	30
Total non-operating income	6,970	11,489
Non-operating expenses		
Loss on valuation of investment securities	152	448
Loss on sale of investment securities	1,351	3,742
Loss on redemption of securities	2,336	-
Loss on valuation of derivatives	5,675	38
Other	25	78
Total non-operating expenses	9,541	4,308
Ordinary profit	9,086	14,687
Profit before income taxes	9,086	14,687
Income taxes - current	1,623	3,487
Income taxes - deferred	712	647
Total income taxes	2,335	4,135
Profit	6,750	10,552
Profit attributable to owners of parent	6,750	10,552

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Millions of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Profit	6,750	10,552
Other comprehensive income		
Valuation difference on available-for-sale securities	(7,798)	5,596
Foreign currency translation adjustment	868	1,047
Remeasurements of defined benefit plans, net of tax	(6)	4
Total other comprehensive income	(6,936)	6,648
Comprehensive income	(185)	17,200
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(185)	17,200