



Level up your happiness

Financial Results for the Fiscal Year Ending March 2023

April 24, 2023

KOEI TECMO HOLDINGS CO., LTD.

Financial Summary



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(Million Yen)

	FY21 Full Year		FY22 Full Year		Vs Previous Year	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Percent Change
Sales	72,759	-	78,417	-	5,658	7.8%
Operating Profit	34,527	47.5%	39,133	49.9%	4,606	13.3%
Ordinary Profit	48,696	66.9%	39,899	50.9%	△ 8,797	-18.1%
Net Profit	35,359	48.6%	30,935	39.4%	△ 4,424	-12.5%
ROE	23.4%		22.1%		△1.3pt	

Major Titles / Console



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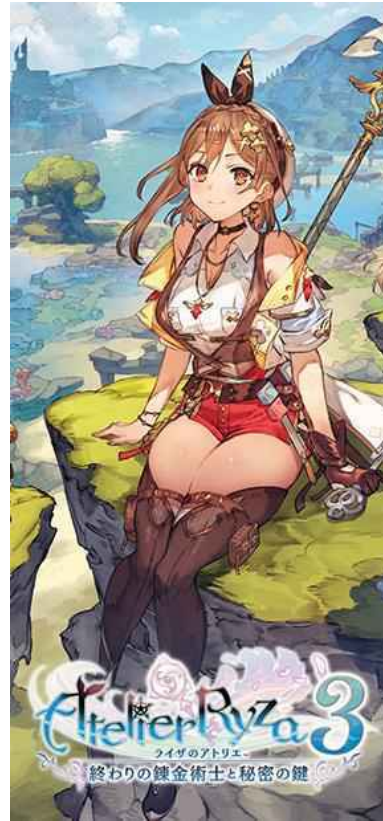
PlayStation®5/Xbox SeriesX|S
PC(Origin/Steam®/Epic Game Store)

WILD HEARTS
Now on Sale
Worldwide



PlayStation®5/ PlayStation®4
Xbox Series X|S/Xbox One/Xbox Game Pass
Steam®/Windows®

Wo Long: Fallen Dynasty
Now on Sale
Worldwide



PlayStation®5/ PlayStation®4
Nintendo Switch™/Steam®

**Atelier Ryza 3: Alchemist of the End
& the Secret Key**
290,000 copies
Worldwide



Development

※Published by: Bandai Namco Entertainment Inc.

Nintendo Switch

**Ultra Kaiju Monster
Rancher^[1]**
Now on Sale
Japan/North America/Asia



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

FATAL FRAME: Mask of the Lunar Eclipse
120,000 copies/Worldwide



PlayStation®5/ PlayStation®4
Nintendo Switch™/Steam®/Windows®

Winning Post 10
70,000 copies/Japan

[1] English Name is tentative **3**

主なタイトル:オンライン・モバイル



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iOS/Android
NOBUNAGA'S AMBITION: Hadou^[1]
Now Available/Japan



iOS/Android/DMM GAMES
BLUE REFLECTION SUN
Now Available/Japan



iOS/Android
LINE: Monster Firm^[1]
Now Available/Japan



iOS/Android
Sangokushi Senkiban^[1]
Now Available/Mainland China

Results by Business Segment



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		(Million Yen)		
		FY21 Full Year	FY22 Full Year	Change
Entertainment	Sales	68,801	73,917	5,116
	Operating Profit	33,827	38,475	4,648
Amusement	Sales	2,800	3,388	588
	Operating Profit	281	594	313
Real Estate	Sales	1,061	1,287	226
	Operating Profit	224	236	12
Others	Sales	477	366	△ 111
	Operating Profit	193	△ 173	△ 366
Corporate & Elimination	Sales	△ 382	△ 542	△ 160
	Operating Profit	-	-	-
Total	Sales	72,759	78,417	5,658
	Operating Profit	34,527	39,133	4,606

Sales Amounts by Region



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(Million Yen)

	FY21 Full Year		FY22 Full Year		Vs Previous Year	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Percent Change
Japan	37,278	51.2%	38,437	49.0%	1,159	3.1%
Overseas	35,481	48.8%	39,980	51.0%	4,499	12.7%
N. America	9,103	12.5%	11,608	14.8%	2,505	27.5%
Europe	3,155	4.3%	3,361	4.3%	206	6.5%
Asia	23,223	31.9%	25,011	31.9%	1,788	7.7%
Total	72,759	100.0%	78,417	100.0%	5,658	7.8%

Units Sold by Region/ Number of DL



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Console: units sold (1000 Copies)

	FY21 Full Year		FY22 Full Year		Vs Previous Year	
	Units	Component Ratio	Units	Component Ratio	Units	Percent Change
Japan	2,900	35.7%	2,950	30.6%	50	1.7%
Overseas	5,230	64.3%	6,690	69.4%	1,460	27.9%
N. America	2,430	29.9%	2,850	29.6%	420	17.3%
Europe	1,250	15.4%	1,570	16.3%	320	25.6%
Asia	1,550	19.1%	2,270	23.5%	720	46.5%
Total	8,130	100.0%	9,640	100.0%	1,510	18.6%
DL Units	4,680		6,455		1,775	37.9%
DL Ratio	57.6%		67.0%			

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

	FY21 Full Year		FY22 Full Year		Vs Previous Year	
	DL	Component Ratio	DL	Component Ratio	DL	Percent Change
Japan	31,400	24.5%	25,600	18.4%	△ 5,800	-18.5%
Overseas	96,600	75.5%	113,400	81.6%	16,800	17.4%
Total	128,000	100.0%	139,000	100.0%	11,000	8.6%

[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



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		(Million Yen)			
		FY21 Full Year	FY22 Full Year	Change	% Change
Console	Package ^[1]	17,851	16,407	△ 1,444	-8.1%
	DL ^[2]	12,920	19,380	6,460	50.0%
	DLC ^[3]	1,700	1,770	70	4.1%
		32,471	37,557	5,086	15.7%
Online/ Mobile	PC Online ^[4]	940	810	△ 130	-13.8%
	Smartphone/Social ^[5]	34,320	34,290	△ 30	-0.1%
	Others	170	160	△ 10	-5.9%
	35,430	35,260	△ 170	-0.5%	
Events & Goods		900	1,100	200	22.2%
Sales for Entertainment Segment		68,801	73,917	5,116	7.4%
Digital Sales^[6]		50,050	56,410	6,360	12.7%
Digital Sales Ratio		72.7%	76.3%	+3.6pt	

[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)

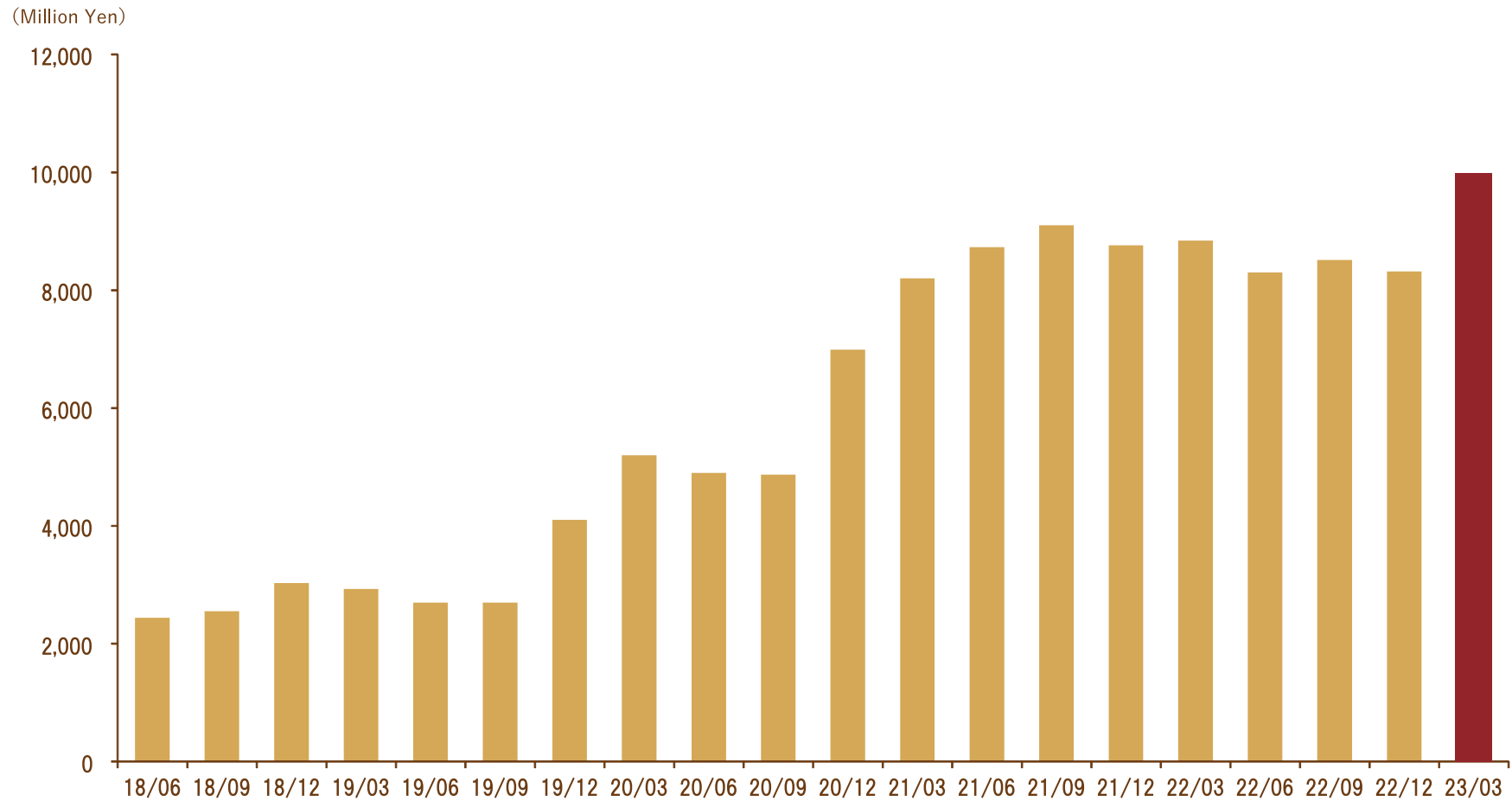
[5] Including sales for smartphone games, social games, browser games, and royalty from IP licensing-out

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

Sales Trend in Online/Mobile



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Major Costs/Headcounts



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		(million yen/headcounts)			
		FY21 Full Year	FY22 Full Year	Change	% Change
Employment Cost	COGS	15,050	16,630	1,580	10.5%
	SGA	3,890	4,160	270	6.9%
		18,940	20,790	1,850	9.8%
Subcontracting Cost	COGS	3,650	5,410	1,760	48.2%
Advertizing/Promotional Cost	SGA	2,680	4,750	2,070	77.2%
Total Headcount^[1]		2,063	2,384	321	15.6%

[1]Excluding temporary employees. From FY22, includes KOEI TECMO VIETNAM.

FY2023 Plan

Financial Summary (FY2023 Plan)



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(Million Yen)

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

(Million Yen)

	FY22 Half-year Results		FY23 Half-year Plan		Vs Previous Year	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Percent Change
Sales	34,762	-	41,000	-	6,238	17.9%
Operating Profit	18,321	52.7%	15,200	37.1%	△ 3,121	-17.0%
Ordinary Profit	17,667	50.8%	16,200	39.5%	△ 1,467	-8.3%
Net Profit	13,648	39.3%	12,500	30.5%	△ 1,148	-8.4%

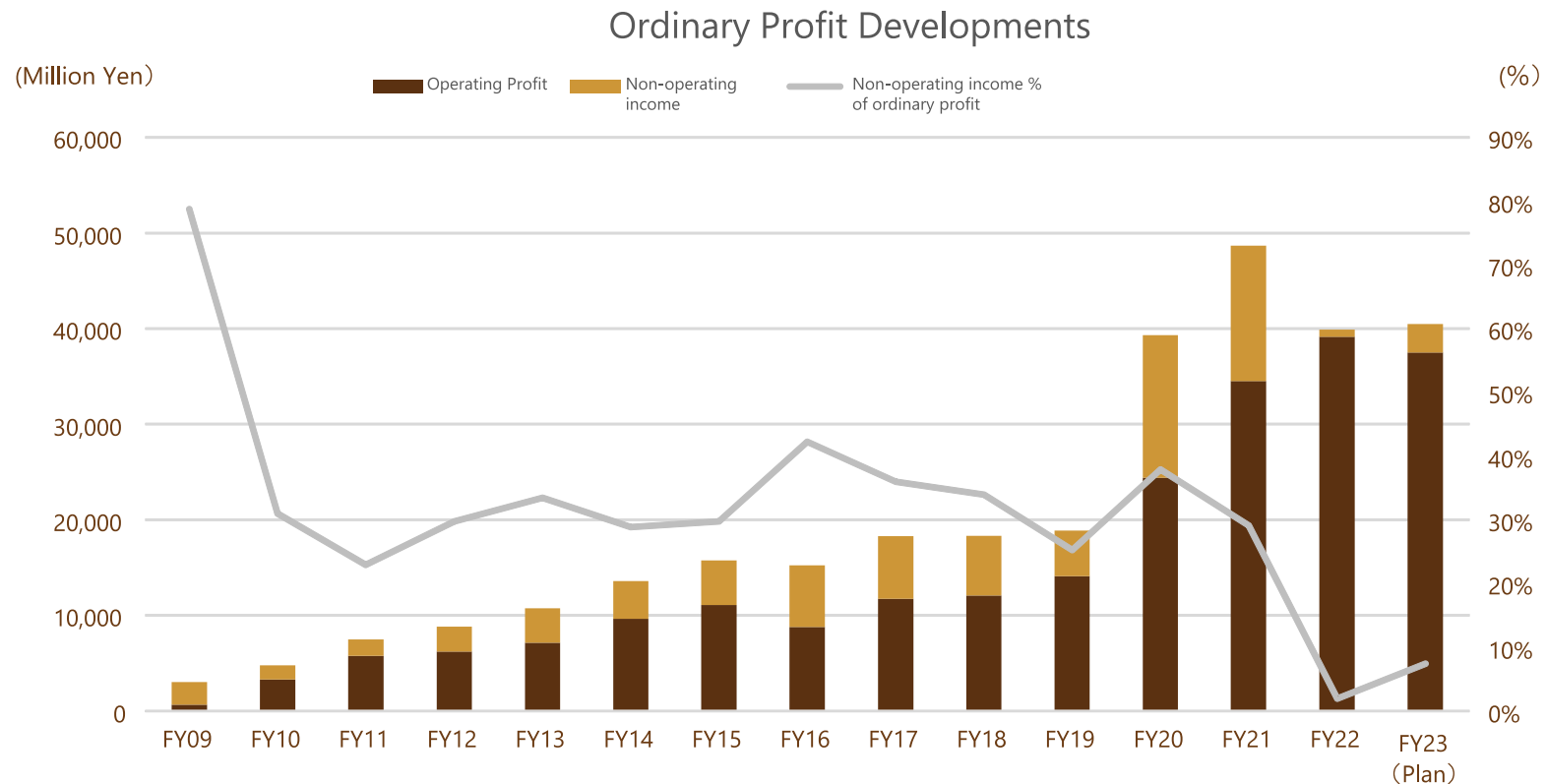
- IP licensing sales are planned based on FY22 levels.
- Increase in expenses due to collaboration titles and smartphone titles developed in-house (royalty, server, and marketing costs).
- Decrease in reversal of development costs covered by business partners compared to the previous fiscal year.

Financial Summary (FY2023 Plan)



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Non-operating income for FY23 is planned at a level of 3 billion yen, accounting for 7% of ordinary profit.



Business Segment(FY2023 Plan)



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(Million Yen)

		FY22 Full Year	FY23 Full Year (Plan)	Change
Entertainment	Sales	73,917	90,220	16,303
	Operating Profit	38,475	37,000	△ 1,475
Amusement	Sales	3,388	3,500	112
	Operating Profit	594	600	6
Real Estate	Sales	1,287	1,200	△ 87
	Operating Profit	236	100	△ 136
Others	Sales	366	200	△ 166
	Operating Profit	△ 173	△ 200	△ 27
Corporate & Elimination	Sales	△ 542	△ 120	422
	Operating Profit	-	-	-
Total	Sales	78,417	95,000	16,583
	Operating Profit	39,133	37,500	△ 1,633

Sales Amount by Region (FY2023 Plan)



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(Million Yen)

	FY22		FY23 (Plan)		Vs Previous Year	
	Amount	Component Ratio	Amount	Component Ratio	Amount	Percent Change
Japan	38,437	49.0%	53,000	55.8%	14,563	37.9%
Overseas	39,980	51.0%	42,000	44.2%	2,020	5.1%
N. America	11,608	14.8%	11,000	11.6%	△ 608	-5.2%
Europe	3,361	4.3%	5,300	5.6%	1,939	57.7%
Asia	25,011	31.9%	25,700	27.1%	689	2.8%
Total	78,417	100.0%	95,000	100.0%	16,583	21.1%

Units Sold by Region (FY2023 Plan)



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(1000 Copies)

	FY22 Full Year		FY23 Full Year (Plan)		Vs Previous Year	
	Units	Component Ratio	Units	Component Ratio	Units	Percent Change
Japan	2,950	30.6%	2,200	21.2%	△ 750	-25.4%
Overseas	6,690	69.4%	8,200	78.8%	1,510	22.6%
N. America	2,850	29.6%	3,800	36.5%	950	33.3%
Europe	1,570	16.3%	2,200	21.2%	630	40.1%
Asia	2,270	23.5%	2,200	21.2%	△ 70	-3.1%
Total	9,640	100.0%	10,400	100.0%	760	7.9%

Capital Expenditure and Depreciation Expenses (FY2023 Plan)



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(Million Yen)

		FY20	FY21	FY22	FY22 (Plan)
Investment	Real Estate	965	909	526	1,270
	Equipment	577	467	263	690
Depreciation Cost		1,542	1,571	1,612	1,800

Management Policy

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

Yoichi Erikawa



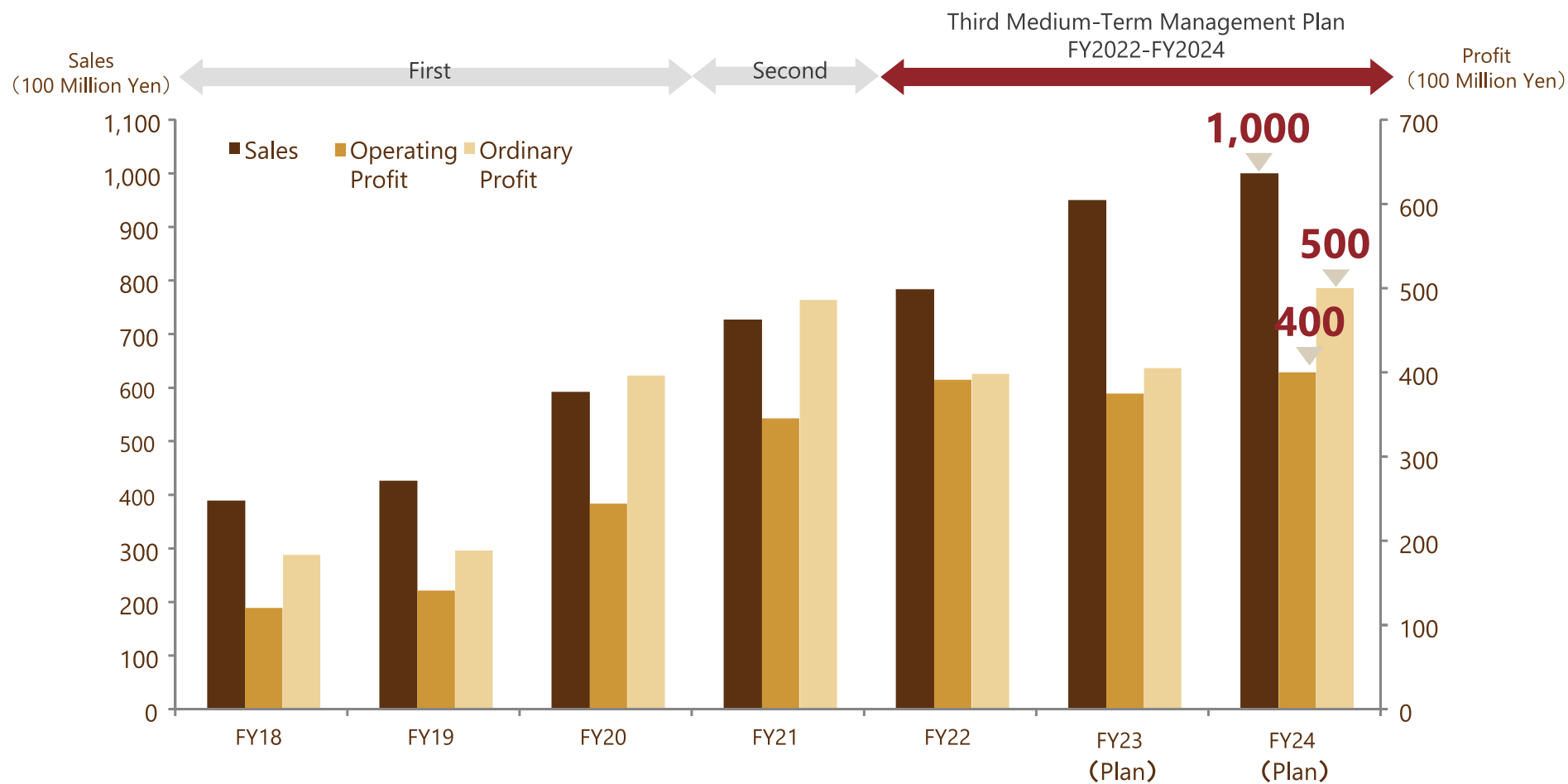
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Third Medium-Term Management Plan (FY2022-FY2024)



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



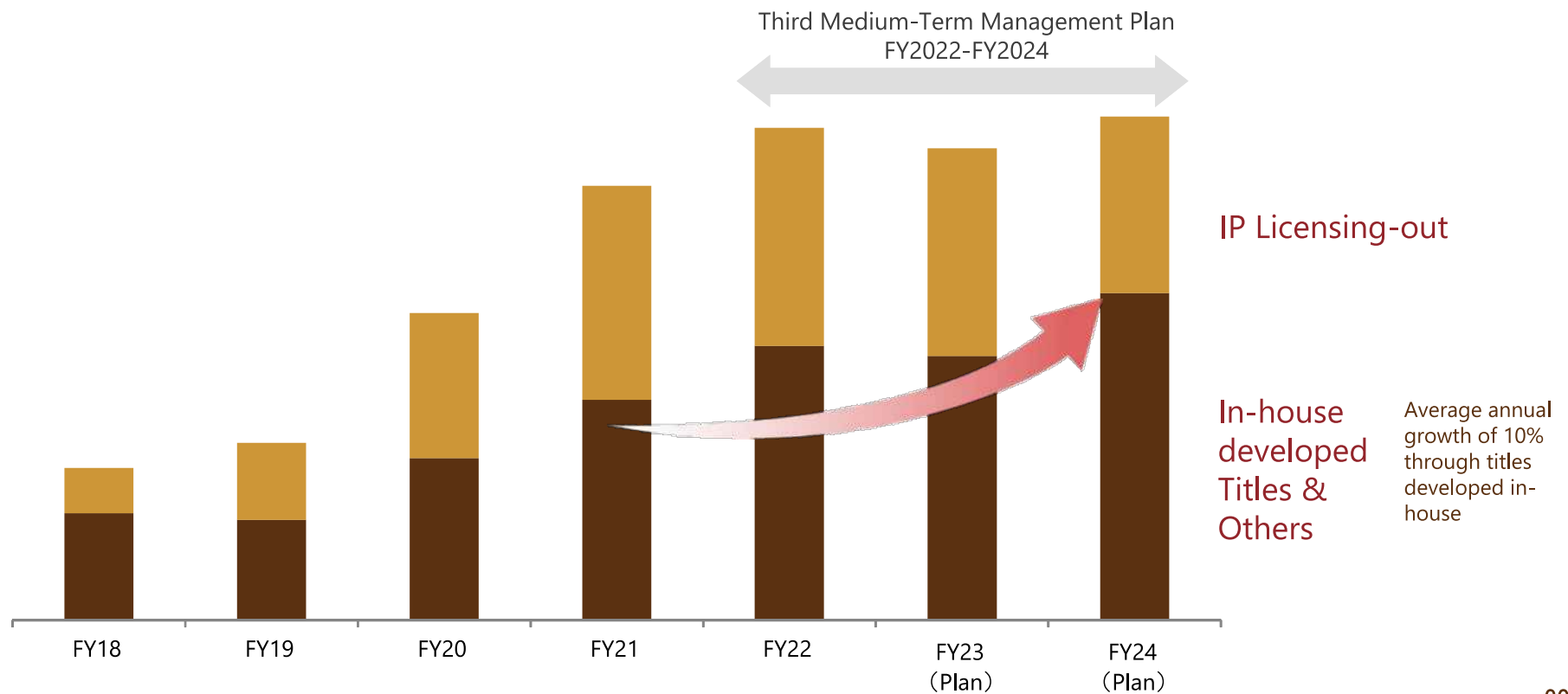
Third Medium-Term Management Plan (FY2022-FY2024)



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Continued growth with titles developed in-house

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



Third Medium-Term Management Plan (FY2022-FY2024)



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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



Third Medium-Term Management Plan (FY2022-FY2024)



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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)



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Third Medium-Term Management Plan (FY2022-FY2024)



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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

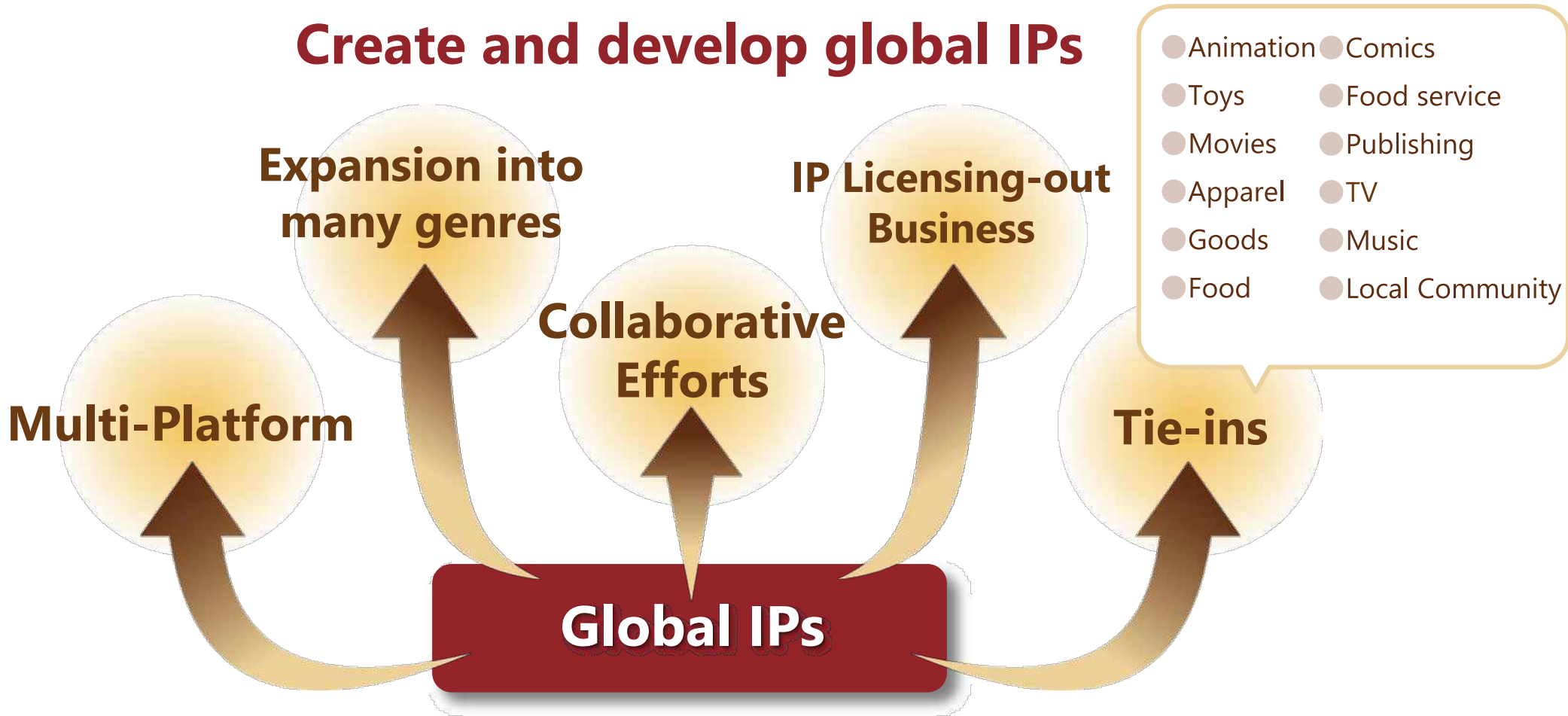
Establishment of a new IP Business Division

Realization of SDGs and ESG initiatives

Realization of stable investment income

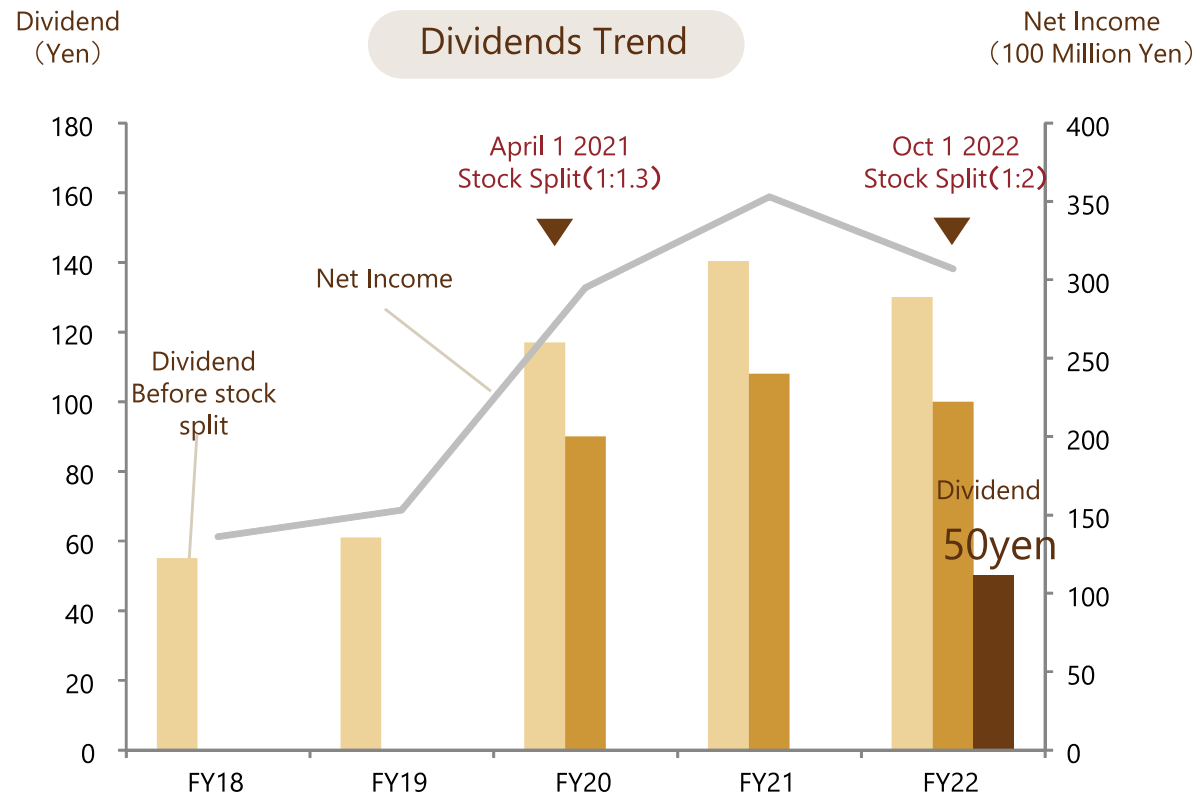


Create and develop global IPs



Basic Policy

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



Management Strategy

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

Hisashi Koinuma



Level up your happiness

Achieved record-high sales and operating profit!

Steady progression according to our third medium-term management plan

Console

- Release of "WILD HEARTS" and "Wo Long: Fallen Dynasty," priority titles of the third medium-term management plan.
- Reinforcement of collaboration strategies (controlling risks by working with partners) → steady growth.

Online/ Mobile

- Release of "NOBUNAGA'S AMBITION: Hadou^[1]".
- Announced the new location-based game "Nobunaga's Ambition: Shutsujin^[1]".
- Release of the licensed title "Sangokushi Senkiban^[1]" in Mainland China.

Major Titles



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PlayStation®5/PlayStation®4/Nintendo Switch™/Steam®

Atelier Marie Remake: The Alchemist of Salburg

Planned to release on July 13, 2023



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

NOBUNAGA'S AMBITION: Awakening

Planned to release on July 20, 2023



PlayStation®5/PlayStation®4/Nintendo Switch™/Steam®

Fate/Samurai Remnant

Scheduled Release: 2023



PlayStation®5

Rise of the Ronin

Scheduled Released: 2024



iOS/Android

Nobunaga's Ambition: Shutsujin^[1]

[1] English Name is tentative

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Development and Operation



※Published by: SQUARE ENIX CO., LTD.

iOS/Android

Dragon Quest Champions^[1]

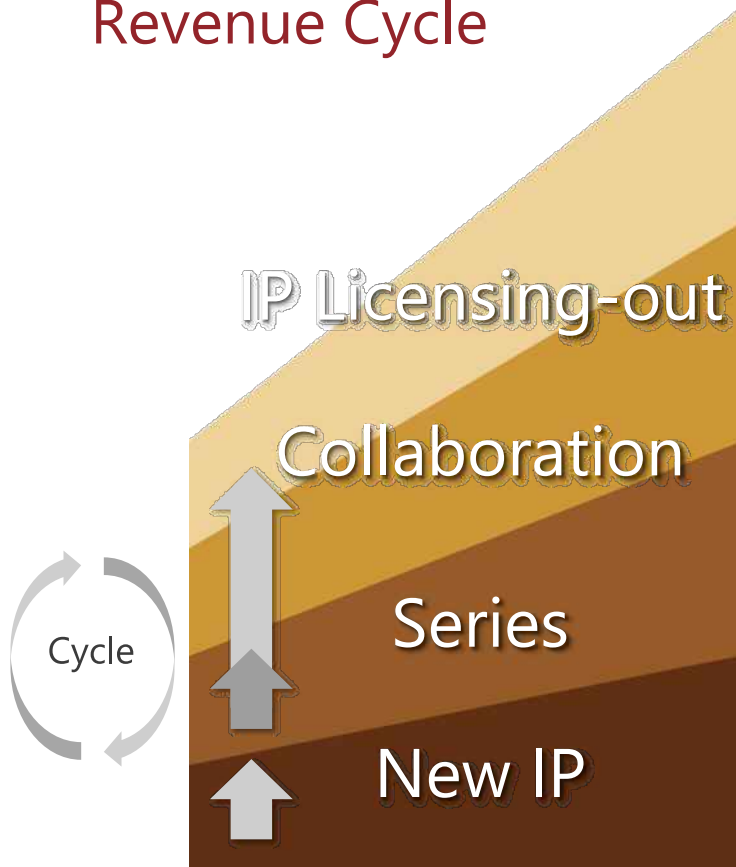
[1] English Name is tentative

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



1. 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 Kingdom Tactics
- LINE: Monster Firm^[1]
- Sangokushi Senkiban^[1]

- Ultra Kaiju Monster Rancher^[1]
- Fate/Samurai Remnant
- Dragon Quest Champions^[1]

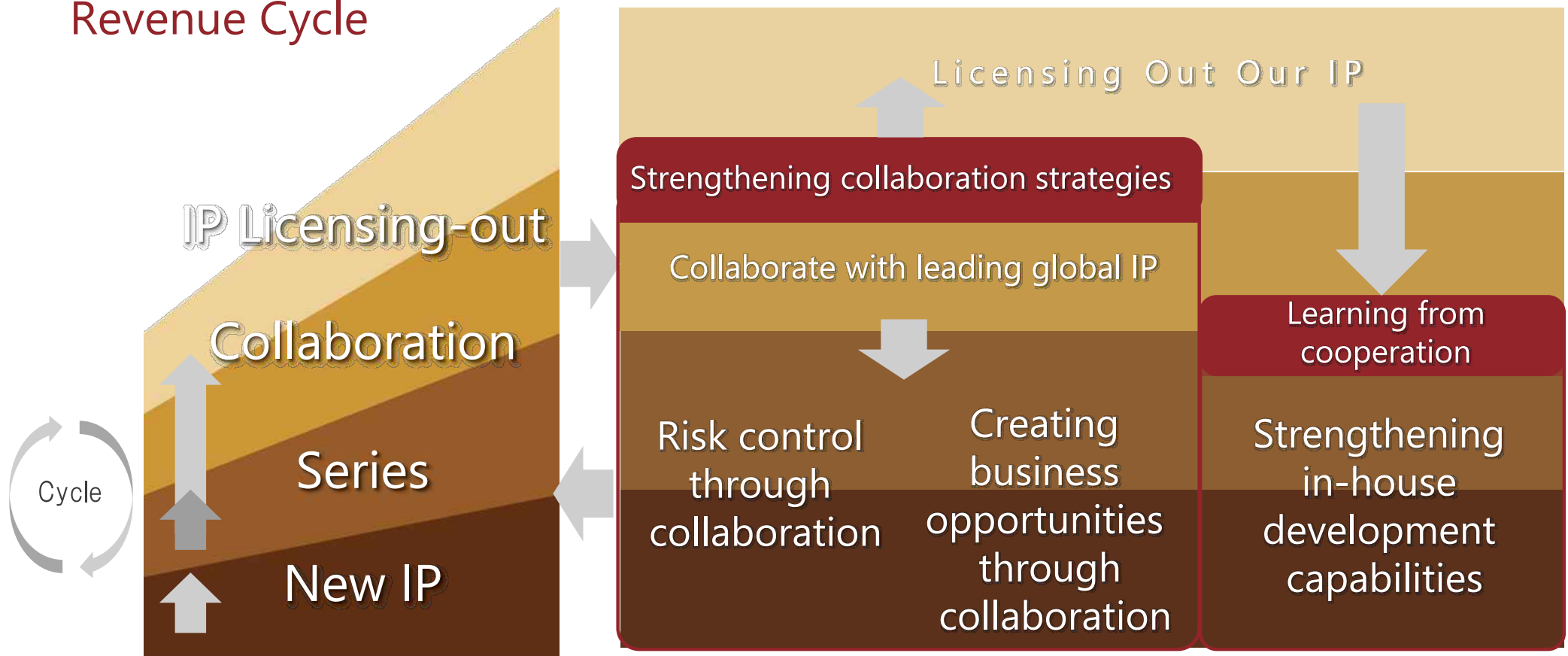
- Nobunaga's Ambition Hadou^[1]
- Nobunaga's Ambition: Shutsujin^[1]
- NOBUNAGA'S AMBITION: Awakening
- Atelier Ryza 3: Alchemist of the End & the Secret Key

- WILD HEARTS
- Wo Long: Fallen Dynasty
- Rise of the Ronin

[1] English Name is tentative
 [2] Shown in Red: Highlights of FY2022

1. Multi-layered Revenue Cycle

Multi-layered Revenue Cycle



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



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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

- Developing high-quality AAA titles using KT's proprietary game engine, **Katana Engine™**
- Promoting a multi-platform strategy

Power of Project Management

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

- Success of Nioh, Romance of the Three Kingdoms Ha-do
- **Released "WILD HEARTS" "Wo Long: Fallen Dynasty", announced "Rise of the Ronin"**
- Success of Romance of the Three Kingdoms IP in Mainland China (IP licensing for "**Sangokushi Senkiban**^[1]")

[1] English Name is tentative

- Received a high score on Metacritic^[2]
WILD HEARTS 79, user score 8.5
Wo Long: Fallen Dynasty 80, user score 8.1
Atelier Ryza 3 84, user score 8.8
- Achieved global and multiplatform capabilities
- Made use of AI in historical simulation games

[2] North American game review site. Assessment score as of March 31, 2023

- Improved profitability of each title
- Released collaboration titles every year
- Successfully managing 5-year development plan
- **Mitigated risks through collaboration with partners**

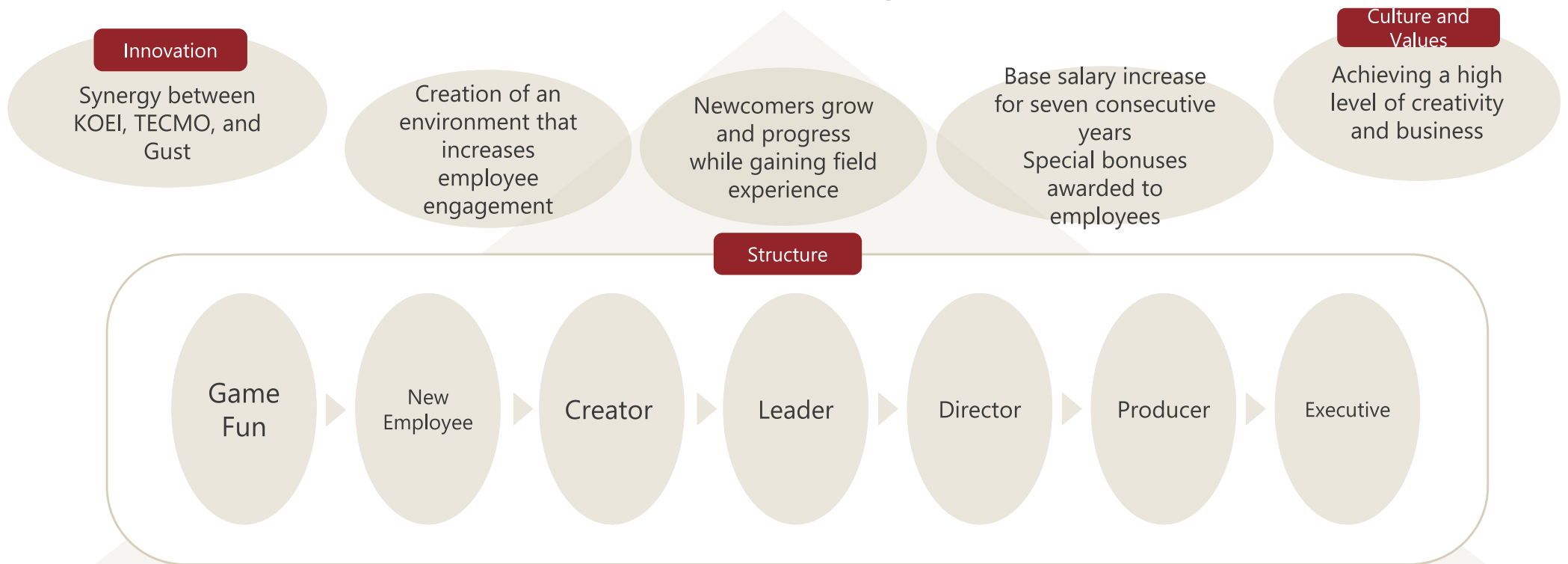
[3] Shown in Red: Highlights of FY2022

3. Transcendent Human Power



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Competitiveness of outstanding in-house development





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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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