



TECMO KOEI HOLDINGS CO., LTD.

**Fiscal Year Ended March 2012  
Financial Results**

# Financial Summary (FY 2011)

## Achieved the highest sales and profit ever!

(Units: Million of Yen)

	FY2010		FY2011		YoY Change	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
<b>Sales</b>	<b>32,081</b>	<b>100.0%</b>	<b>35,525</b>	<b>100.0%</b>	<b>3,444</b>	<b>10.7%</b>
<b>Operating Profit</b>	<b>3,305</b>	<b>10.3%</b>	<b>5,758</b>	<b>16.2%</b>	<b>2,453</b>	<b>74.2%</b>
<b>Ordinary Profit</b>	<b>4,788</b>	<b>14.9%</b>	<b>7,472</b>	<b>21.0%</b>	<b>2,684</b>	<b>56.1%</b>
<b>Net Income</b>	<b>2,741</b>	<b>8.5%</b>	<b>4,640</b>	<b>13.1%</b>	<b>1,899</b>	<b>69.3%</b>

Including approximately 1.1 billion Yen of SG&A exposes from goodwill amortization due to the merger of Koei and Tecmo etc.

# Major Titles and Events (FY2011)



PS3  
**ONE PIECE  
KAIZOKU MUSOU**※

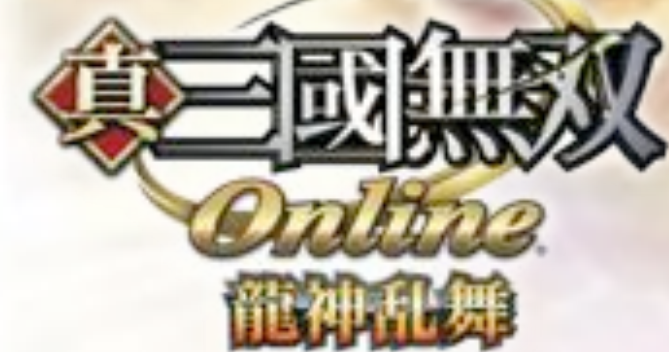
Collaborative title  
(Development)



PS3/Xbox360  
**NINJA GAIDEN 3**  
630,000 Units  
Worldwide



PS3/Xbox360  
**WARRIORS OROCHI3**  
480,000 Units  
Worldwide



ONLINE GAME  
**Implement  
large scale update**

Tecmo Koei SOCIAL GAME  
**Over 500  
Million Users !**



SOCIAL GAME  
**Hyakuman nin no  
Winning Post**※  
Get "Special Award" !  
GREE Platform Award 2011



EVENT  
**Neo Romance Event**  
110,000 Participants

# Sales and Operating Profit by Business Segment (FY2011)

## FY2011

(Units:Millions of Yen)

	Game Software	Online & Mobile	Media & Rights	Pachislot & Pachinko	Amusement Facilities	Others	Total	Corporate & Elimination	Consolidated Total
<b>Sales</b>	<b>24,883</b>	<b>5,635</b>	<b>1,838</b>	<b>1,701</b>	<b>1,887</b>	<b>216</b>	<b>36,162</b>	<b>△637</b>	<b>35,525</b>
<b>Operating Profit</b>	<b>4,797</b>	<b>1,034</b>	<b>157</b>	<b>551</b>	<b>128</b>	<b>13</b>	<b>6,683</b>	<b>△925</b>	<b>5,758</b>

## FY2010

(Units:Millions of Yen)

	Game Software	Online & Mobile	Media & Rights	Pachislot & Pachinko	Amusement Facilities	Others	Total	Corporate & Elimination	Consolidated Total
<b>Sales</b>	<b>21,594</b>	<b>5,437</b>	<b>1,483</b>	<b>1,896</b>	<b>2,145</b>	<b>278</b>	<b>32,835</b>	<b>△753</b>	<b>32,081</b>
<b>Operating Profit</b>	<b>2,336</b>	<b>1,277</b>	<b>△109</b>	<b>497</b>	<b>128</b>	<b>81</b>	<b>4,211</b>	<b>△906</b>	<b>3,305</b>

CWS Brains has been moved from “Amusement Facilities” segment to “Online & Mobile” segment.

# Net Sales by Region (FY2011)

(Units:Millions of Yen)

Area	FY2010		FY2011		YoY Change	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Japan	27,563	85.9%	29,918	84.2%	2,355	8.5%
Overseas	4,518	14.1%	5,606	15.8%	1,088	24.1%
North America	2,500	7.8%	2,784	7.8%	284	11.4%
Europe	1,498	4.7%	1,356	3.8%	△142	△9.5%
Asia	520	1.6%	1,466	4.1%	946	181.9%
Grand Total	32,081	100.0%	35,525	100.0%	3,444	10.7%

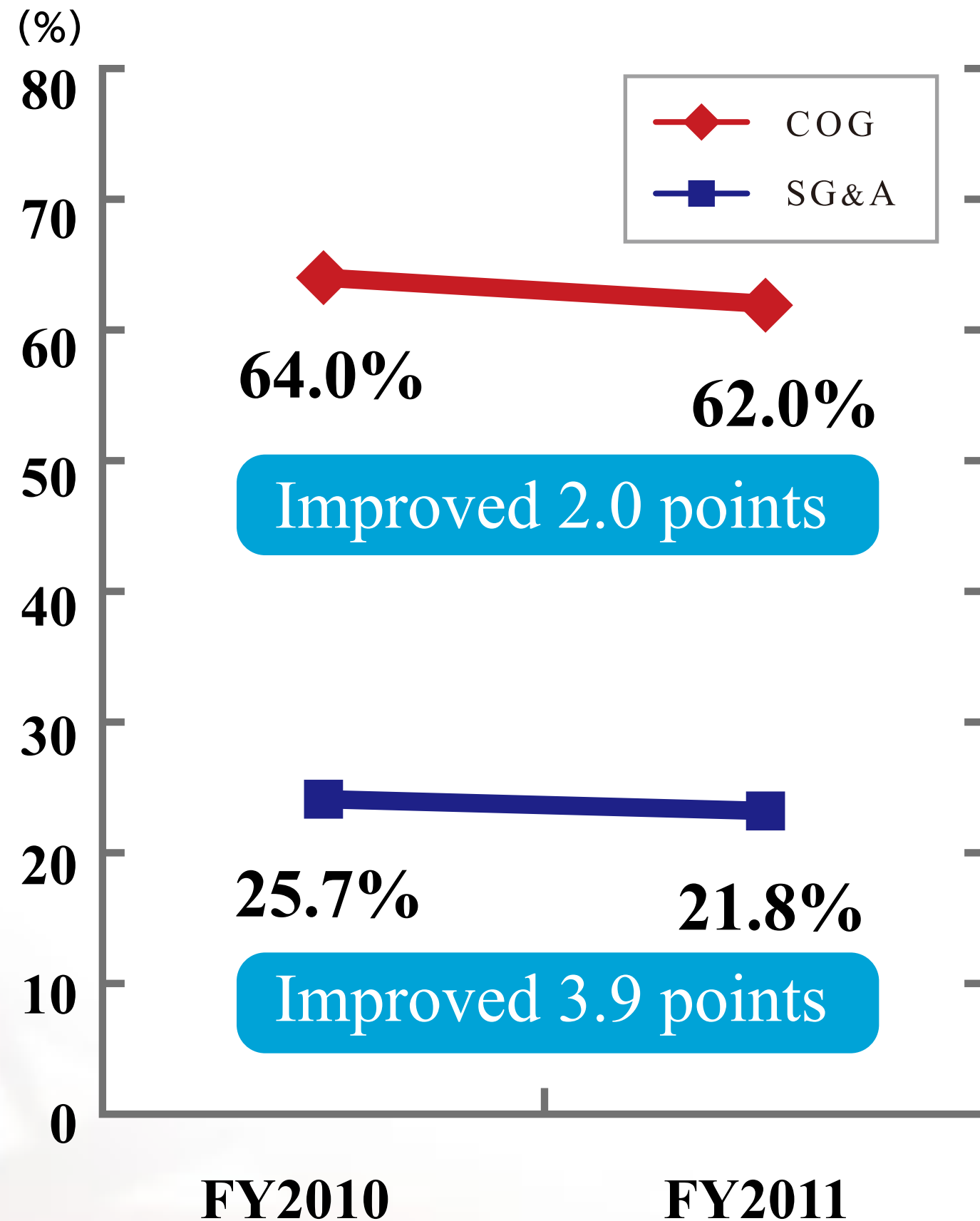
# Sales Units by Region (FY2011)

(Thousands of Units)

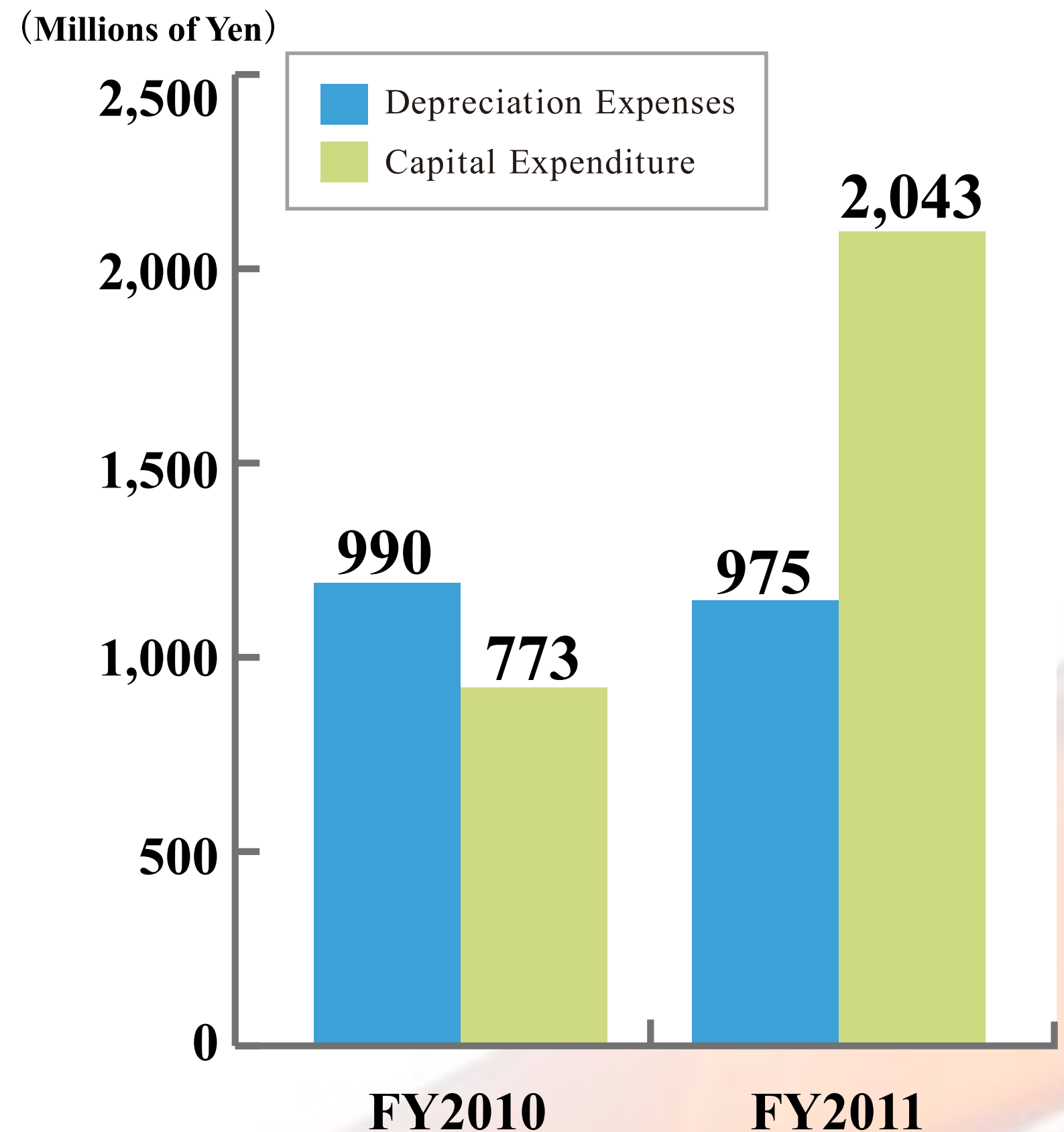
Area	FY2010		FY2011		YoY Change	
	Units	Ratio	Units	Ratio	Units	Ratio
Japan	3,350	58.2%	4,100	66.9%	750	22.4%
Overseas	2,410	41.8%	2,030	33.1%	△380	△15.8%
North America	1,395	24.2%	950	15.5%	△445	△31.9%
Europe	860	14.9%	730	11.9%	△130	△15.1%
Asia	155	2.7%	350	5.7%	195	125.8%
Grand Total	5,760	100.0%	6,130	100.0%	370	6.4%

# Major Expenses, Capital Expenditure and Depreciation Expenses (FY2011)

## Expenses to Sales Ratio



## Capital Expenditure and Depreciation Expenses



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

**Consolidated Plan**

**(Fiscal Year Ending March 31, 2013)**



# Financial Summary (Plan FY2012)

(Units:Millions of Yen)

	FY2011		FY2012		YoY Change	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
<b>Sales</b>	<b>35,525</b>	<b>100.0%</b>	<b>39,000</b>	<b>100.0%</b>	<b>3,475</b>	<b>9.8%</b>
<b>Operating Profit</b>	<b>5,758</b>	<b>16.2%</b>	<b>7,000</b>	<b>17.9%</b>	<b>1,242</b>	<b>21.6%</b>
<b>Ordinary Profit</b>	<b>7,472</b>	<b>21.0%</b>	<b>8,300</b>	<b>21.3%</b>	<b>828</b>	<b>11.1%</b>
<b>Net Income</b>	<b>4,640</b>	<b>13.1%</b>	<b>5,000</b>	<b>12.8%</b>	<b>360</b>	<b>7.8%</b>

Including approximately 1.4 billion Yen of SG&A expenses from goodwill amortization due to the merger of Koei and Tecmo etc.

# Sales and Operating Profit by Business Segment (Plan FY2012)

## FY2012 (Plan)

(Units:Millions of Yen)

	Game Software	Online & Mobile	Media & Rights	Pachislot & Pachinko	Amusement Facilities	Others	Total	Corporate & Elimination	Consolidated Total
<b>Sales</b>	<b>26,000</b>	<b>6,750</b>	<b>2,400</b>	<b>1,900</b>	<b>1,900</b>	<b>250</b>	<b>39,200</b>	<b>△200</b>	<b>39,000</b>
<b>Operating Profit</b>	<b>5,700</b>	<b>1,400</b>	<b>350</b>	<b>600</b>	<b>170</b>	<b>80</b>	<b>8,300</b>	<b>△1,300</b>	<b>7,000</b>

## FY2011

(Units:Millions of Yen)

	Game Software	Online & Mobile	Media & Rights	Pachislot & Pachinko	Amusement Facilities	Others	Total	Corporate & Elimination	Consolidated Total
<b>Sales</b>	<b>24,883</b>	<b>5,635</b>	<b>1,838</b>	<b>1,701</b>	<b>1,887</b>	<b>216</b>	<b>36,162</b>	<b>△637</b>	<b>35,525</b>
<b>Operating Profit</b>	<b>4,797</b>	<b>1,034</b>	<b>157</b>	<b>551</b>	<b>128</b>	<b>13</b>	<b>6,683</b>	<b>△925</b>	<b>5,758</b>

Publishing business was included in "Game Software" in Fy2011, whereas it is included in "Media & Rights" segment in FY2012.

# Net Sales by Region (Plan FY2012)

(Units:Millions of Yen)

Area	FY2011		FY2012(Plan)		YoY Change	
	Amount	Ratio	Amount	Ratio	Aount	Ratio
<b>Japan</b>	<b>29,918</b>	<b>84.2%</b>	<b>32,200</b>	<b>82.6%</b>	<b>2,282</b>	<b>7.6%</b>
<b>Overseas</b>	<b>5,606</b>	<b>15.8%</b>	<b>6,800</b>	<b>17.4%</b>	<b>1,194</b>	<b>21.3%</b>
<b>North America</b>	<b>2,784</b>	<b>7.8%</b>	<b>3,400</b>	<b>8.7%</b>	<b>616</b>	<b>22.1%</b>
<b>Europe</b>	<b>1,356</b>	<b>3.8%</b>	<b>1,900</b>	<b>4.9%</b>	<b>544</b>	<b>40.1%</b>
<b>Asia</b>	<b>1,466</b>	<b>4.1%</b>	<b>1,500</b>	<b>3.8%</b>	<b>34</b>	<b>2.3%</b>
<b>Grand Total</b>	<b>35,525</b>	<b>100.0%</b>	<b>39,000</b>	<b>100.0%</b>	<b>3,475</b>	<b>9.8%</b>

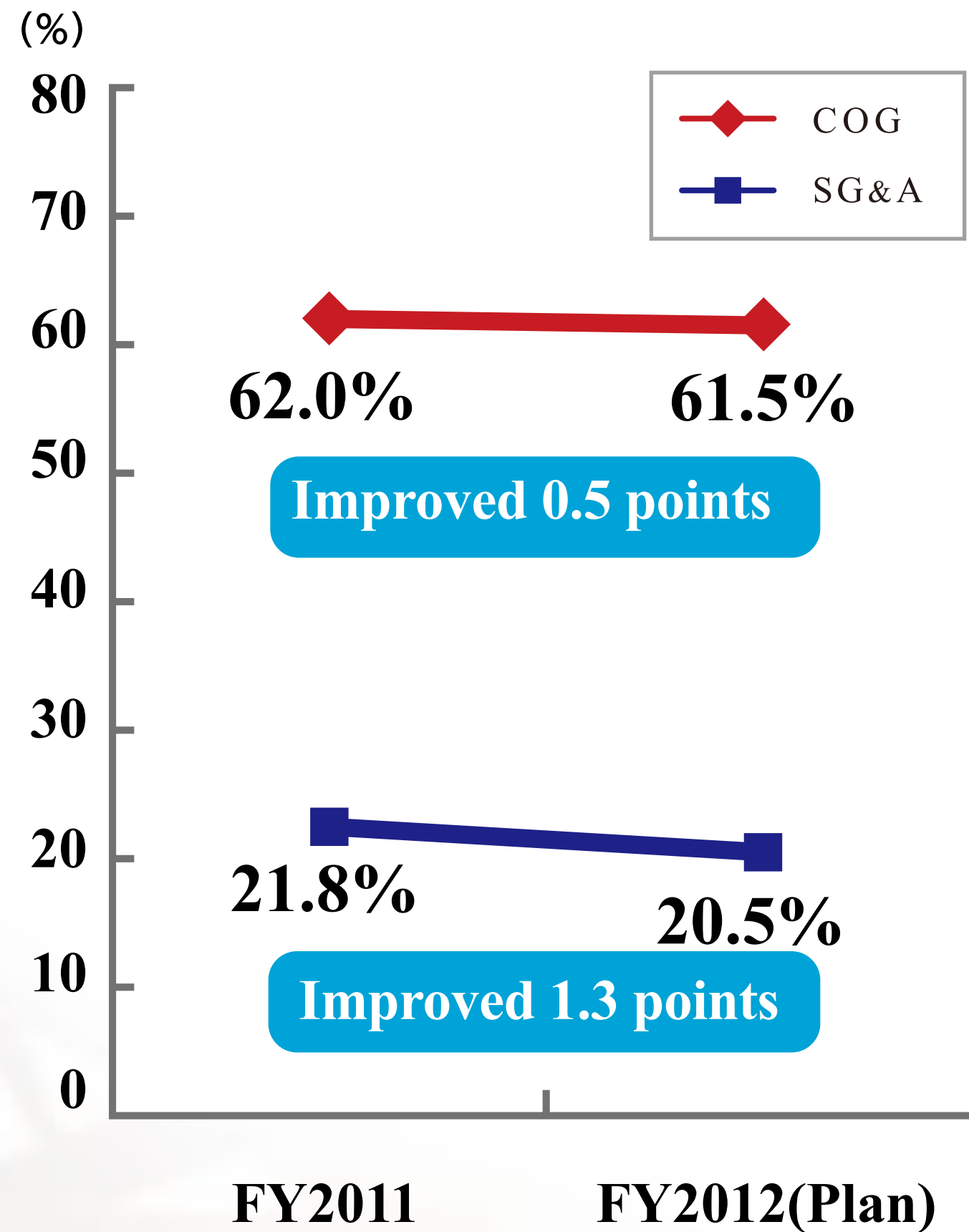
# Sales Units by Region (Plan FY2012)

(Thousands of Units)

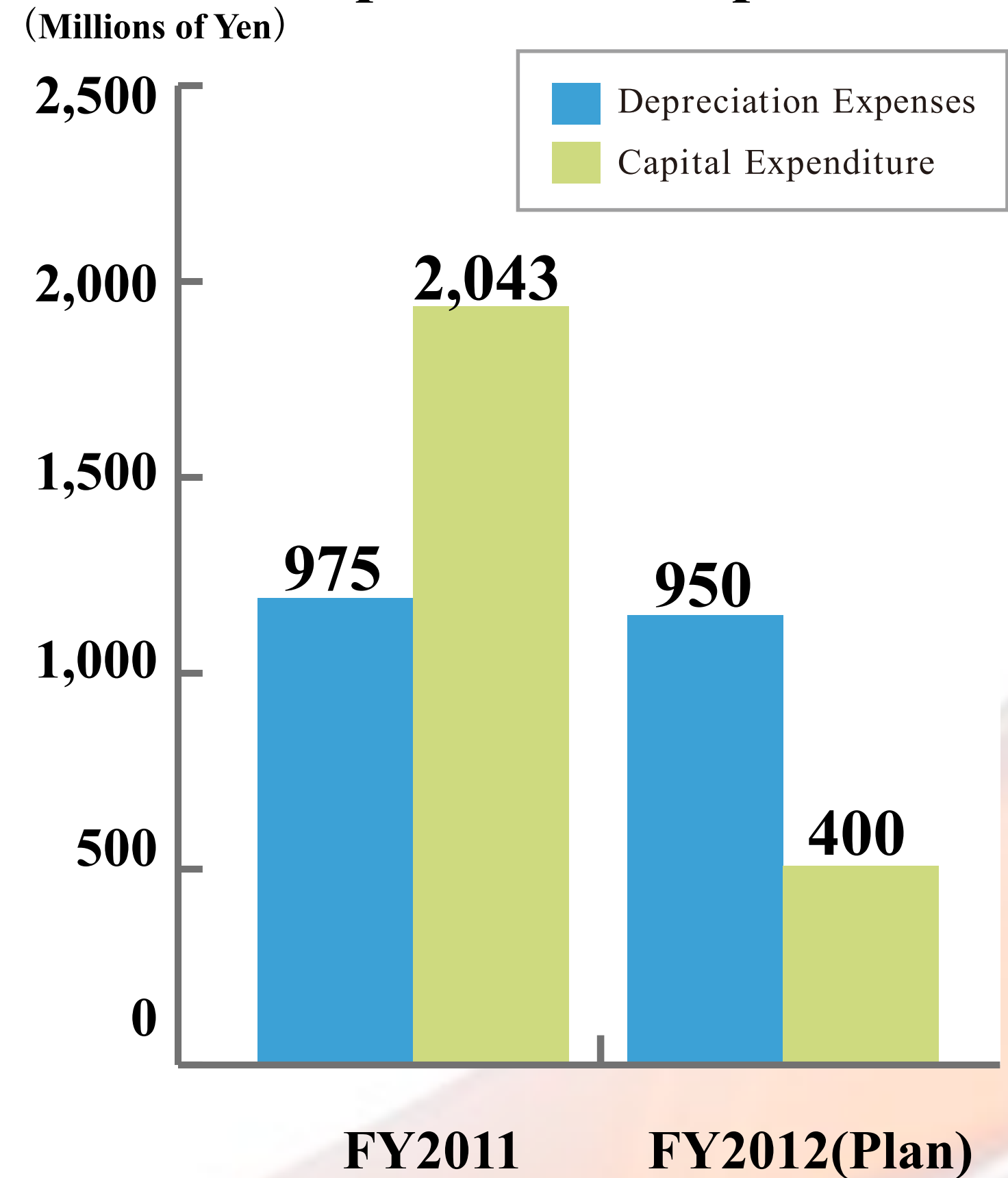
Area	FY2011		FY2012		YoY Change	
	Units	Ratio	Units	Ratio	Units	Ratio
<b>Japan</b>	<b>4,100</b>	<b>66.9%</b>	<b>3,950</b>	<b>60.8%</b>	<b>△150</b>	<b>△3.7%</b>
<b>Overseas</b>	<b>2,030</b>	<b>33.1%</b>	<b>2,550</b>	<b>38.1%</b>	<b>520</b>	<b>25.6%</b>
<b>North America</b>	<b>950</b>	<b>15.5%</b>	<b>1,250</b>	<b>18.7%</b>	<b>300</b>	<b>31.6%</b>
<b>Europe</b>	<b>730</b>	<b>11.9%</b>	<b>950</b>	<b>14.2%</b>	<b>220</b>	<b>30.1%</b>
<b>Asia</b>	<b>350</b>	<b>5.7%</b>	<b>350</b>	<b>5.2%</b>	<b>0</b>	<b>0.0%</b>
<b>Grand Total</b>	<b>6,130</b>	<b>100.0%</b>	<b>6,500</b>	<b>100.0%</b>	<b>370</b>	<b>6.0%</b>

# Major Expenses, Capital Expenditure and Depreciation Expenses (Plan FY2012)

## Expenses to Sales Ratio



## Capital Expenditure & Depreciation Expenses





# **Tecmo Koei Group**

## **Management Policy & Strategy**

# **Ethos & Vision**

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## **Ethos**

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# **Creativity & Contribution**

Contribute to society through the creation of new value instilled within our products and services.

## **Vision**

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**To Become the World's No.1  
Entertainment Content Provider**

# Management Principles

## ① Create the Best Content Available

Provide the most emotionally-moving experiences to customers through the creation of superior content.

## ② Realize Continual Growth and Profitability

Stabilize the management base and aim for continued growth.

## ③ Improve Employee Welfare

Become a vibrant and attractive company through the improvement of our business performance and employee welfare.

## ④ Challenge New Business Areas

Continue to find new ways of contributing to society.



# Long - Term Strategy / Product Concept

## Long - Term Strategy

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### ① Content Creation

Develop creative entertainment content in various fields to increase the fanbase of Tecmo Koei products across a variety of age ranges.

### ② Content Expansion

Expand our intellectual property across a wide range of different areas in order to increase our overall brand image and obtain new fans of our product.

### ③ Global Logistics

Proceed with the continued globalization of our overseas sales to obtain new overseas fans and increase profitability by reducing costs.

## Product Concept

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### Quality & Satisfaction

Increase customer satisfaction by delivering products of the highest possible quality.

# **Management Policy for FY2012**

**Achieving further  
Growth and Profitability**

# Management Policy for FY2012

## Achieving further Growth and Profitability



# Plan to realize growth

- ① Extension of series titles and challenge new title
- ② Expansion of collaboration business
- ③ Support for new platform



# ① Extension of series titles and challenging new title

## DEAD OR ALIVE<sup>®</sup> 5

**Worldwide simultaneous launch  
in September 2012**

**Target a million sales!**

**Plan to release more well-known series titles.**

**Aim to increase sales with each new version.**

**Challenge new title.**



## ② Expansion of collaboration business

Big hit of “ONE PIECE KAIZOKU MUSOU”

(English name is tentative)



## ② Expansion of collaboration business

- “Pokemon + Nobunaga no Yabou” (English name is tentative)
- Collaborate with “Virtua Fighter” at “DEAD OR ALIVE 5”

Achieve continued growth by using Tecmo Koei’s development capabilities and well-known IPs in collaboration with other companies! Expand collaboration business in all areas- not only packaged games, but also social games, events, amusement etc.



### ③ Support for new platform

- Released launch titles for 3DS and PSVita

3DS : “SAMURAI WARRIROS: Chronicles”

PSVita : “DYNASTY WARRIORS NEXT” “NINJA GAIDEN Σ Plus”

- Target launch of new hardware as a business opportunity, proactively releasing titles. Continue to support new platform launches in the future.

- Support a variety of devices (smartphones, PCs, tablets)





# Plan to realize profitability

- ① Maximize profitability through the selection of and focus on each business area
- ② Expansion of new business and strengthen synergy
- ③ Further cost reductions



# ① Maximize profitability through the selection of and focus on each business area

- Review low profitability projects and shift resources to high profitability projects.
- Social game : Concentrate on high profitability projects
  - “Hyakuman nin no Nobunaga no Yabou”
  - “Hyakuman nin no Winning Post” etc.
- Manage profit in every releasing title by strengthening project profit management.



## ② Expansion of new business and strengthen synergy

### ● Strengthen download business

“DYNASTY WARRIORS 7” … 250 million yen

“WARRIORS OROCHI 3” … 45 million yen

Expand to all titles, include “DEAD OR ALIVE 5”

### ● Expand new business and enhance monetization within Media & Rights, achislot & Pachinko and Amusement Facilities areas.

### ● Synergy with Gust



# Gust - integration into the Tecmo Koei Group and future development

## GUST CO., LTD.

- The latest sales 1,251 million yen / Operating Profit 486 million yen
- High profitability ratio - over 35% operating profit
- Holds well-known IP, such as the “Atelier” series.
- Strong development talent/skilled, especially in RPGs.



# Gust - integration into the Tecmo Koei Group and future development

## ① Create group synergy

- **Expand business opportunities by employing well-known IP, such as the “Atelier” series, not just in games, but in other areas of the Tecmo Koei group**

(Planning to hold first official Gust event in July 2012)

- **Improve efficiency and profitability by utilizing development tool, marketing and head office capabilities of the group**

- **Develop social game**

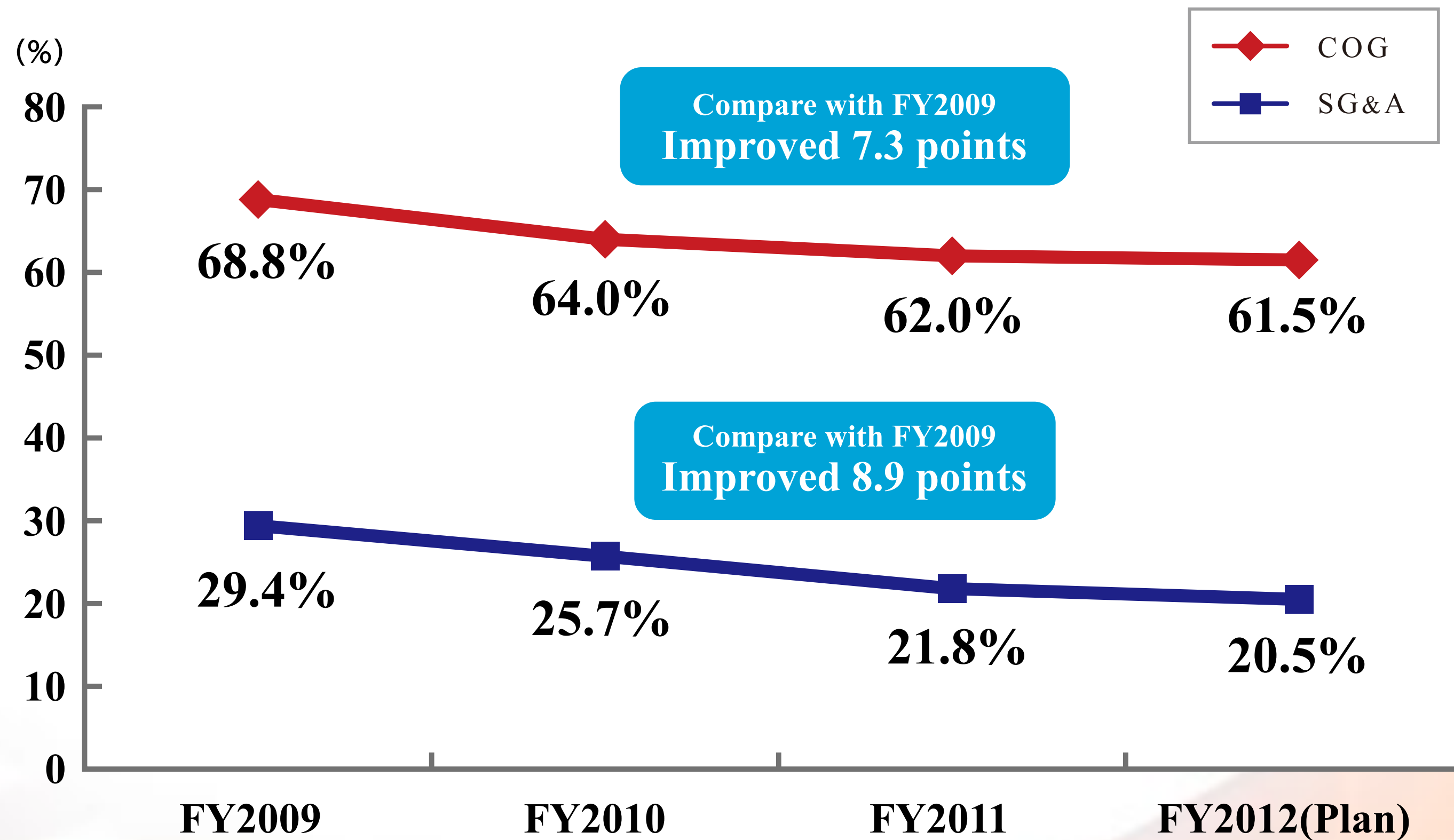
## ② New expansion

- **Strong repeat sales of “Ciel no Surge”(PSVita)!  
Cultivate new user base, different from existing Tecmo Koei fans.**



### ③ Further cost reductions

## Expenses to Sales Ratio



# Growth and Profitability of Online Mobile business

## Social Game direction

**FY2011**

- Released 9 social games
- Created new pillars, such as “Hyakuman nin no Winning Post”
- Grown to same scale as Online business
- Contributes stable income
- Flat overall, due to unprofitable titles

**FY2012**

**Business  
Restructure**

**my GAMECITY**

**Collaborations**

**Globalization**

**Enhance  
sales & marketing**

**FY2013**

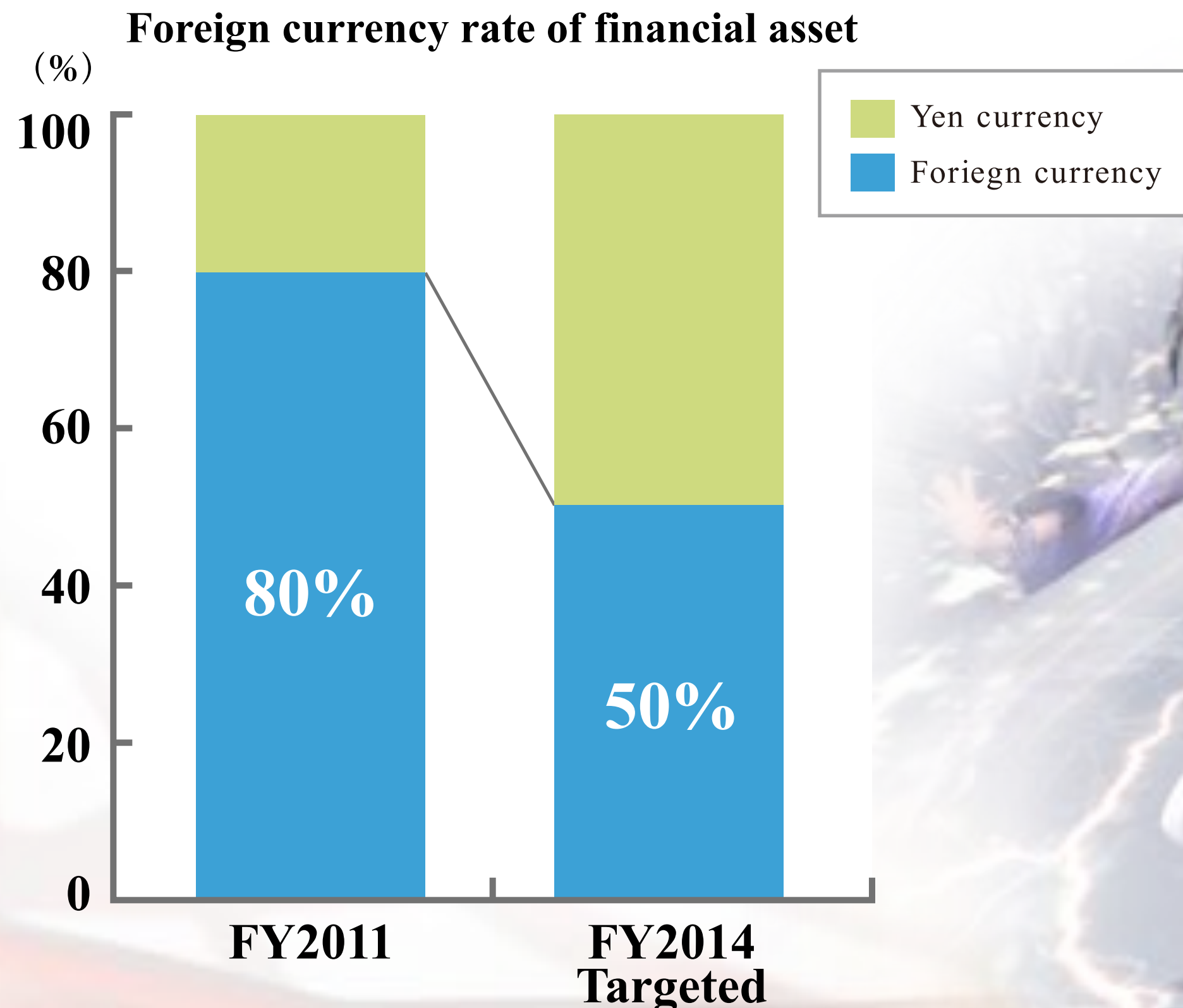
**Big Growth**

**Taiwan  
Good start of  
“Nobunyaga no Yabou”!  
Get No.1 user ranking in Taiwan  
major portal site**



# Exchange risk management

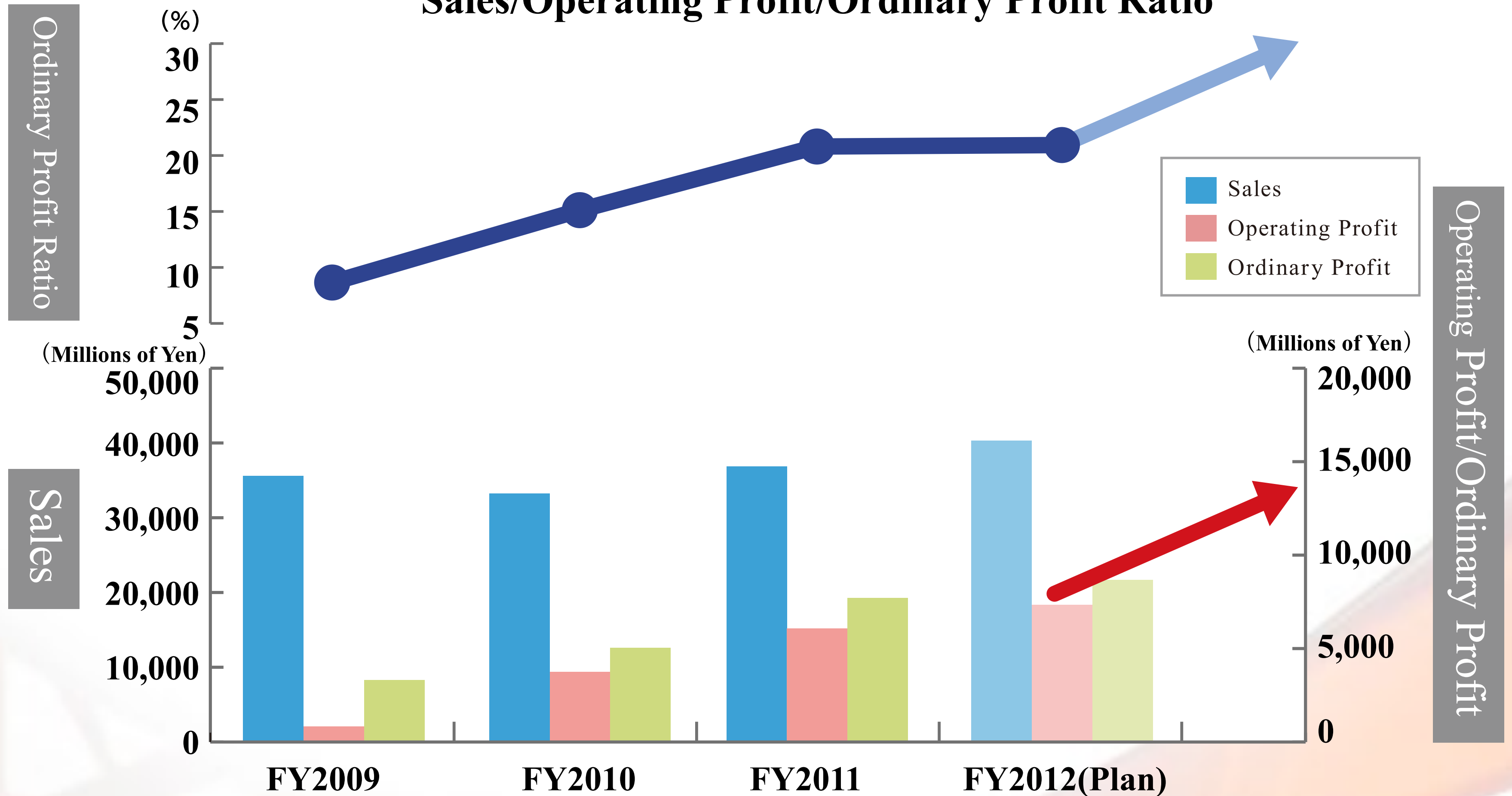
- Policy to reduce foreign currency rate of financial assets from 80% to 50%, targeted by FY2014
- Investigate allocation to low risk assets other than financial assets





# Toward high growth and profitability

## Sales/Operating Profit/Ordinary Profit Ratio



**Aim to promptly achieving higher growth and profitability  
- an ordinary profit ratio of over 30%**



This document contains statements regarding future objectives, beliefs and current expectations of TECMO KOEI HOLDINGS CO., LTD. with respect to its financial results. Such statements imply risks and uncertainties and no guarantee of future performance.