

KONAMI

Fiscal 2022 Konami Group Interim Report

April 1, 2021 – September 30, 2021

KONAMI HOLDINGS CORPORATION

To Our Shareholders

On behalf of the Konami Group, I would like to express our gratitude to all of our shareholders for their ongoing support.

Before any other matters, I would like to extend my thoughts and prayers to all of those who have contracted or have been affected by COVID-19. In addition, I offer my utmost respect and gratitude to the healthcare professionals and others working on the front lines to treat this disease and prevent infection.

Due to the long-term impact of COVID-19 in the first half of the fiscal year ending March 31, 2022, there have been further changes to people's lifestyles and values. Even under these circumstances, the digital entertainment business has remained strong, which has enabled the Konami Group to provide enjoyment through content and services, our strengths, to many customers around the world. Also, as socio-economic activities gradually return to normal in Japan and overseas, some of our businesses have begun to see the outcome of efforts made since the previous fiscal year to improve financial results. As such, we saw profits in all categories, starting with business profit, which experienced a record high, greatly surpassing the previous record.

The interim dividend will be ¥36.50 per share, an increase of ¥14.00 compared with the previous fiscal year. Going forward, we will strive to improve our growth and financial performance to further increase dividends.

In the world of the new normal, the needs for entertainment and sports have steadily increased, and we are confident that these will continue to be appealing markets rich in growth opportunities.

The entertainment field is highly promising and will continue to be developed by the evolution of technology, including artificial intelligence (AI), fifth/sixth generation mobile communications (5G/6G), cloud technology, and non-fungible tokens (NFTs); the accelerated pace of digital transformation; the growth of esports; and other advancements. In the sports market, there is significant margin for promoting digital transformation in line with

changes to lifestyles, and we began to develop new businesses, such as a wide-ranging service for offering lessons that can be attended online. Additionally, we will promote reforms, including a shift to an asset-light business model (excluding directly managed facilities).

To date, the Konami Group has developed by flexibly responding to changes. We feel that the current environment, in which the world is changing dramatically, is an opportunity to ride the cresting wave of further growth into the future.

We will also redouble our efforts to reinforce the Group's initiatives for realizing a sustainable society. We will further promote sustainability management, such as climate change response and corporate governance reform.

As we work toward this goal, we would like to ask for the continued support of all of our shareholders.



Kimihiko Higashio
Representative Director,
President

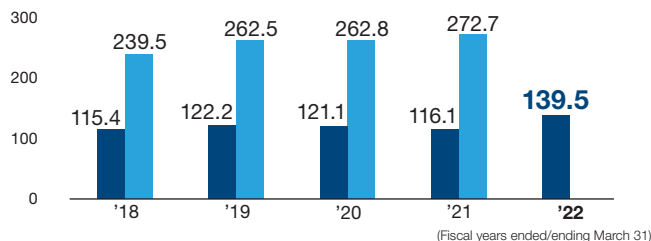
Consolidated Financial Highlights

Note: Figures are in accordance with International Financial Reporting Standards (IFRS).

Total Revenue

(¥ billion) ■ Interim ■ Annual

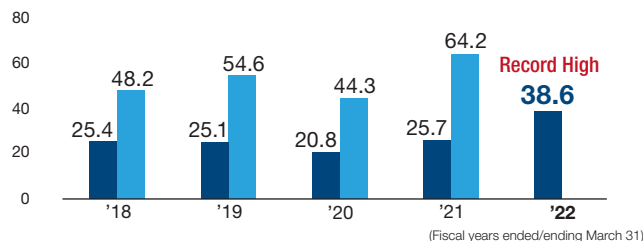
20.2%
Increase
YoY



Business Profit

(¥ billion) ■ Interim ■ Annual

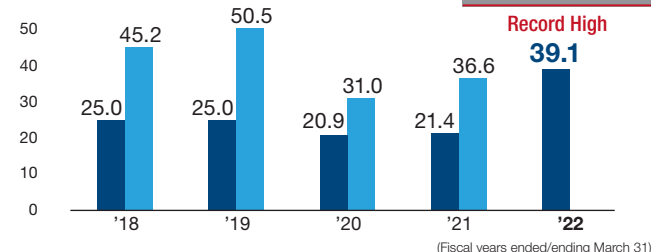
50.2%
Increase
YoY



Operating Profit

(¥ billion) ■ Interim ■ Annual

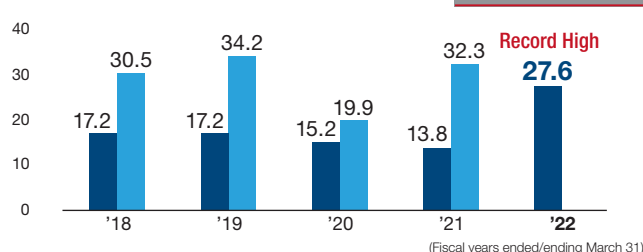
83.0%
Increase
YoY



Profit Attributable to Owners of the Parent

(¥ billion) ■ Interim ■ Annual

99.8%
Increase
YoY



Looking at the Company's consolidated results for the six-month period ended September 30, 2021, total revenue amounted to ¥139,486 million (a year-on-year increase of 20.2%), business profit was ¥38,639 million (a year-on-year increase of 50.2%), operating profit was ¥39,110 million (a year-on-year increase of 83.0%), profit before income taxes was ¥38,673 million (a year-on-year increase of 91.3%), and profit attributable to owners of the parent was ¥27,558 million (a year-on-year increase of 99.8%).

In the Digital Entertainment Business, the global market was driven by mobile games such as "eFootball Winning Eleven 2021" (known overseas as "eFootball PES 2020") and "Yu-Gi-Oh! DUEL LINKS," with "PROFESSIONAL BASEBALL SPIRITS A (Ace)" and "JIKKYOU PAWAFURU PUROYAKYU" continuing to perform favorably in Japan. As for card games, we continued to expand "Yu-Gi-Oh! TRADING CARD GAME" globally and received favorable reviews. In terms of video games, we launched the new titles "eBASEBALL PROFESSIONAL BASEBALL SPIRITS 2021 Grand Slam" and "Yu-Gi-Oh! RUSH DUEL Saikyo Battle Royale!!" As for esports, we held the "KC Grand Tournament," a large-scale online global tournament for "Yu-Gi-Oh! DUEL LINKS."

In the Amusement Business, we are promoting initiatives that will lead to market recovery by holding numerous online video game events for amusement facilities.

Additionally, regarding *Konasute* (KONAMI AMUSEMENT GAME STATION), a service for players to always enjoy arcade games on their PCs or smartphones, the Android™ version of *Konasute Medal Corner*, which was launched in April 2021, showed a solid performance.

In the Gaming & Systems Business, in addition to developing the "DIMENSION 49J™" slot machine, featuring a "J" curve display, as part of our premium participation (revenue share model) range, we introduced cabinets for our core products "DIMENSION 27™" and "DIMENSION 49™". Furthermore, we continued to introduce the SYNKROS® casino management system to casino facilities, starting with Resort World Las Vegas, an integrated resort, which contributed to profits.

In the Sports Business, we launched the "Karada Ikiiki Project," which aims to increase the essential functions of peoples' bodies, as well as maintain and enhance health, as a new proposal for encouraging sound health habits during this era of COVID-19. We are also promoting the expansion of our Konami Sports Online Fitness service, in which customers can participate from anywhere. Regarding outsourced facilities, we launched new facilities, such as sports facilities in Toyonaka City, Osaka and Chuo-ku, Tokyo, using our know-how accumulated through sports club operation over many years.

For more detailed financial data, please visit the KONAMI website and go to the Financial Information page.

<https://www.konami.com/ir/en/ir-data/>

Topics

Digital Entertainment



[“eBASEBALL PROFESSIONAL BASEBALL SPIRITS 2021 Grand Slam” Complete Reproduction of Professional Baseball in Game](#)

On July 8, we released the newest game in the PROFESSIONAL BASEBALL SPIRITS series, “eBASEBALL PROFESSIONAL BASEBALL SPIRITS 2021 Grand Slam” (Nintendo Switch™).

This series enables users to experience the reality of baseball by playing as a professional baseball player using 3D scanning technology, with immersive live commentary. This truly compelling gameplay is extremely popular with fans, as is the mobile game “PROFESSIONAL BASEBALL SPIRITS A (Ace)” from the same series, which was launched in 2015 and has become a huge hit, exceeding 29 million downloads (as of September 2021). Additionally, as a result of publishing guidelines for uploading videos of the PROFESSIONAL BASEBALL SPIRITS series, we saw further excitement in the game community through video streaming. In “eBASEBALL PROFESSIONAL BASEBALL SPIRITS 2021 Grand Slam,” players can enjoy the game with up to four players for the first time in the series’ history and can further enhance the reality of the game by adjusting the skills of each player based on score data from throughout the season.

We will continue to suggest new ways to enjoy games that meet the specifications of devices.

Amusement



[Esports x Music: New Sensory Entertainment Launch of “BEMANI PRO LEAGUE 2021”](#)

Over a period of approximately six months, KONAMI hosted Japan’s first esports league for music games, impressing and exciting many fans.

In “BEMANI PRO LEAGUE 2021,” 24 players, who were chosen in a draft conference by six participating companies, competed in the league competition. For the first year of the competition (2021), we selected beatmania IIDX, which has been around for more than 20 years and is popular for its wide variety of music and deep gameplay. Dramatic battles between unique players and spectacular live performances by guest artists from within and outside of KONAMI took place at the esports GINZA studio, which is equipped with state-of-the-art facilities for esports. These competitions were streamed on the official YouTube channel. There was considerable fanfare within the community, with views for these videos exceeding 1.8 million (as of October 2021) and hashtags related to the event trending on Twitter numerous times.

We will continue to spread the appeal of the BEMANI series, which encompasses both music and games.

Gaming & Systems



“DIMENSION 49™” Ranks No. 1 in Industry Reports DIMENSION™ Series Continues to Perform Well

Konami Gaming, Inc.’s video slot cabinet “*DIMENSION 49™*” ranked No. 1 as the Top Indexing Cabinet – Portrait in the casino gaming industry for four consecutive months (May to August 2021) in independent reports by Eilers & Krejcik Gaming, LLC and Fantini Research.

“*DIMENSION 49™*” is a slot machine in the popular DIMENSION™ series, which operators rate for its innovative design and functionality. The machine also features a 49-inch flat portrait display in 4K ultra-high definition (UHD), as well as a 27-inch video topper.

In addition to design and functionality, the cabinet received praise from the casino industry for its gameplay. The debut title, “*Fortune Mint™*,” has gained popularity with players and adopts a linked progressive slot series with multiplier bonuses. Numerous titles have already been added to “*DIMENSION 49™*,” and KONAMI plans to expand this list in the future.

We will continue to provide first-class entertainment to casinos around the world.

Sports



Enriching Online Live Lessons and Stellar On-Demand Video Konami Sports Online Fitness

On September 1, 2021, we launched Konami Sports Online Fitness, a new initiative that allows everyone, including those who are not members of Konami Sports Club, to enjoy our popular fitness programs and instructor-led lessons in the comfort of their own homes. Through this initiative, we aim to reinvigorate the lifestyles of those who lack exercise and are in poor physical condition due to staying at home and teleworking for prolonged periods of time.

Konami Sports Online Fitness features online live lessons, a service that has been available to Konami Sports Club members since April 2021 for the enjoyment of “real-time” communication with instructors, as well as on-demand video for a wide range of lessons that can be watched repeatedly at any time. The program has won the favor of many customers for being able to freely enjoy the experience of true fitness without having to worry about time, location, or their surroundings.

Moving ahead, we will continue to provide customers with opportunities to enjoy safe and secure physical activities that cater to their lifestyles.

KONAMI's Long-Cherished Games

KONAMI games introduced in the 1980s and 1990s continue to earn the love of fans across the globe and play a prominent role in our business to this day. By actively incorporating new ways to enjoy games such as esports and tailoring these games to the latest technology, hardware, and devices, we have continued to earn the appreciation of users regardless of their generation.

In November 2020, we released “*Momotaro Dentetsu: Showa, Heisei, Reiwa mo Teiban!*” (Nintendo Switch™), the newest game in the Momotaro Dentetsu series, which has been enjoyed by fans of all age groups for over three decades since the launch of its first title back in 1988. With this latest title for Nintendo Switch™, the series has made a huge splash yet again for the value of entertainment it offers as a standard head-to-head battle game. The “Gameplay Video Campaign,” where players can freely upload videos under certain guidelines, is perfectly suited for today’s generation and is a big

reason why this game continues to achieve the highest-ever sales for the series even a year after its launch.

Unveiled in 1994 as a home video game, the JIKKYOU PAWAFURU PUROYAKYU series has won the favor of a diverse group of customers for over 25 years as a standard baseball game that offers something for everyone. For the mobile version of “*JIKKYOU PAWAFURU PUROYAKYU*,” we collaborated with an array of games, manga, and anime, and after nearly seven years since its launch in 2014, the service continues to attract the attention of many users. Our collaboration with the immensely popular anime *Kimetsu no Yaiba* in September 2021 made huge headlines.

Released as a console game in 1998, “*Yu-Gi-Oh! Duel Monsters*” expanded into the trading card game business in 1999 and introduced the mobile game “*Yu-Gi-Oh! DUEL LINKS*” in 2016, thereby expanding its presence in a range of sectors and gaining the recognition of fans of all generations



“*Momotaro Dentetsu: Showa, Heisei, Reiwa mo Teiban!*”



“*JIKKYOU PAWAFURU PUROYAKYU*” mobile game



"Yu-Gi-Oh! MASTER DUEL"

Note: The game screen is currently under development.

around the world. Our plan for this upcoming winter is to stream "Yu-Gi-Oh! MASTER DUEL" in 4K resolution under the concept of enjoying Yu-Gi-Oh! online both as a player and as a spectator. Looking ahead, we will continue to introduce new initiatives, such as invitations to the "Yu-Gi-Oh! World Championship," the world's largest official Yu-Gi-Oh! trading card tournament, and the hosting of various regulated tournaments, offering an enticing experience for fans everywhere.

For the PROFESSIONAL BASEBALL SPIRITS series, which was launched as a console game that truly resembles professional baseball, we released the mobile game "PROFESSIONAL BASEBALL SPIRITS A (Ace)" in 2015. This game was selected as the competition title for "eBASEBALL PRO LEAGUE," the professional baseball esports championship jointly organized by Nippon Professional Baseball and KONAMI, and has evolved into a title that is synonymous with esports in Japan. Utilizing the game engine of the console game "PROFESSIONAL BASEBALL SPIRITS A (Ace)" has garnered high acclaim for the real-life graphics it offers on smartphones and



"PROFESSIONAL BASEBALL SPIRITS A (Ace)"

its exceptional user experience, becoming one of the all-time best sellers in KONAMI's history. Our six-year anniversary event, which commenced in October of this year, has also brought a lot of excitement.

Over the course of its more than 50 years of history, KONAMI has been providing a countless number of hit products to the world as one of the leaders of the gaming industry. Alongside our truly loyal customers who have continued to help grow our business over the years, we have been able to attract a new customer demographic through our expansion into the esports business. In addition, our wide selection of games that are loved by customers of all ages and that can be enjoyed by families is the main reason why our games have been cherished for so many years.

Going forward, we will continue to offer new and enjoyable solutions in line with the evolution of devices and platforms, thereby providing new entertainment value to people of all generations.

Corporate Data

Company Name	KONAMI HOLDINGS CORPORATION
Headquarters	1-11-1, Ginza, Chuo-ku, Tokyo 104-0061, Japan Tel: 81-3-6636-0573 Fax: 81-3-6893-1573
Founded	March 21, 1969
Incorporated	March 19, 1973
Paid-in Capital	¥47,398 million
Consolidated Employees	9,154 (As of September 30, 2021) (Including temporary employees, converted at 160 hours per month)
Website	https://www.konami.com

Shareholder Information

Fiscal Year-End	March 31
Ordinary General Meeting of Shareholders	June
Record Dates for Shareholders	Annual shareholders' meeting: March 31 Year-end dividend: March 31 Interim dividend: September 30 Other (when necessary): As announced in advance
Transfer Agent	Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo, Japan
Location of Transfer Agent Handling Office	Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Department 1-4-1, Marunouchi, Chiyoda-ku, Tokyo, Japan
Mailing Address	Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Department 2-8-4, Izumi, Suginami-ku, Tokyo 168-0063, Japan
Website	https://www.smtb.jp/english
Public Notices	Shown on the Company's website: https://www.konami.com/ir/en/
Stock Exchange Listings	Tokyo and London

Stock Information (As of September 30, 2021)

Common Stock	
Authorized	450,000,000 shares
Issued	143,500,000 shares (Including 9,919,212 treasury shares)
Number of Shareholders	24,460

The 10 Largest Shareholders

Shareholder	Shares (Thousands)	% of Total
The Master Trust Bank of Japan, Ltd. (Trust Account)	28,461	21.31
Kozuki Foundation	17,100	12.80
KOZUKI HOLDING B.V.	15,700	11.75
Custody Bank of Japan, Ltd. (Trust Account)	11,604	8.69
Kozuki Capital Corporation	7,048	5.28
KOREA SECURITIES DEPOSITORY-SAMSUNG	3,541	2.65
JP MORGAN CHASE BANK 380815	2,621	1.96
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	2,612	1.96
STATE STREET BANK AND TRUST COMPANY 505001	2,186	1.64
STATE STREET BANK WEST CLIENT-TREATY 505234	1,452	1.09

Note: The above shareholding ratios are calculated after the deduction of treasury shares.

Guide to Investor Relations (IR) Site

Our website includes an IR section that provides easy access to our latest financial information, news releases, and other relevant IR information.

<https://www.konami.com/ir/en/>