

KONAMI

FY2016 Financial Results

Fiscal year ended March 31, 2016

KONAMI HOLDINGS CORPORATION

May 10, 2016

Cautionary statement with respect to forward-looking statements

Statements made in this presentation with respect to KONAMI HOLDINGS' current plans, estimates, strategies and beliefs, including forecasts, are forward-looking statements about the future performance of the Company. These statements are based on management's assumptions and beliefs in light of information currently available to it and, therefore, you should not place undue reliance on them. A number of important factors could cause actual results to be materially different from and worse than those discussed in forward-looking statements. Such factors include, but are not limited to (1) Changes in economic conditions affecting our operations; (2) Fluctuations in foreign exchange rates, particularly with respect to the value of the Japanese yen, the U.S. dollar and the Euro; (3) the Company's ability to continue to win acceptance of our products, which are offered in highly competitive markets characterized by the continuous introduction of new products, rapid developments in technology and subjective and changing consumer preferences; (4) the Company's ability to successfully expand internationally with a focus on our Digital Entertainment business and Gaming & Systems business; (5) the Company's ability to successfully expand the scope of our business and broaden our customer base through our Health & Fitness business; (6) Regulatory developments and changes and our ability to respond and adapt to those changes; (7) the Company's expectations with regard to further acquisitions and the integration of any companies we may acquire; and (8) the outcome of contingencies.

- Financial information included herein is not audited by independent public accountants
- (1) Numbers included in this presentation material are;
 - a) in accordance with IFRS
 - b) rounded to the nearest one hundred million yen
- (2) Revenues of each segment include inter-segment sales

Consolidated Financial Results

(Yen in Billions)

	FY2015 Results	FY2016 Revised Guidance	FY2016 Results	FY2017 Guidance
	12 months ended March 2015	12 months ended March 2016	12 months ended March 2016	12 months ending March 2017
Revenue	218.2	243.0	249.9	210.0
Operating profit	15.3	24.0	24.7	25.0
Profit before income taxes	17.0	23.5	23.8	24.0
Profit for the year (attributable to owners of the parent)	9.9	9.5	10.5	15.0
Earnings per share (JPY)	71.55	68.71	76.44	110.91
Dividends per share (JPY)	21.00	21.00	23.00	34.00

Revenue and Profit by Business Segment

(Yen in Billions)

	FY2015 Results	FY2016 Results	FY2017 Guidance
<u>Revenue</u>	12 months ended March 2015	12 months ended March 2016	12 months ending March 2017
Digital Entertainment	97.0	132.7	95.0
Health & Fitness	73.3	71.3	70.0
Gaming & Systems	33.8	34.3	33.0
Pachislot & Pachinko Machines	14.7	12.1	12.0
Eliminations	-0.7	-0.4	-
Total	218.2	249.9	210.0
<u>Segment profit (loss)</u>			
Digital Entertainment	17.0	35.7	20.0
Health & Fitness	1.9	2.7	3.0
Gaming & Systems	6.3	5.6	6.0
Pachislot & Pachinko Machines	0.6	-1.1	0.0
Corporate expenses and eliminations	-4.5	-4.6	-4.0
Other income and other expenses	-5.9	-13.5	-
Total Operating Profit	15.3	24.7	25.0

Digital Entertainment (1)

Revenue and segment profit

(Yen in Billions)

	FY2015 Results	FY2016 Results	FY2017 Guidance
	12 months ended March 2015	12 months ended March 2016	12 months ending March 2017
Revenue	97.0	132.7	95.0
Segment profit	17.0	35.7	20.0
Margin	17.5%	26.9%	21.1%

Note: Other expenses of JPY 3.7 billion (FY2015) and JPY 2.5 billion (FY2016) are not included in segment profit

FY2016 Q4 summary

- Mobile game “JIKKYOU PAWAFURU PUROYAKYU” surpasses 22 million downloads and takes the No.1 position on the App Store gross ranking in March for the first time
- Stable recurring revenues from “e-AMUSEMENT Participation” arcade games and released a new token-operated game with next-gen nationwide real-time ball lottery system “TSUNAGA Lotta” in February
- Global sales of Yu-Gi-Oh! trading card games, with domestic market particularly strong
- Released a new key data pack for Winning Eleven 2016 / PES 2016 - Pro Evolution Soccer - featuring UEFA EURO 2016 content alongside myClub online mode advances

Digital Entertainment (2)

■ Contributing titles in Jan - Mar 2016 / Pipeline

Title	Platform	Geography	Release Date
JIKKYOU PAWAFURU PUROYAKYU	App Store Google Play	Japan	Dec 2014
TSUNAGA Lotta	Arcade (token-operated)	Japan	Mar 2016
ColorCoLotta 2 Wonderful Ocean	Arcade (token-operated)	Japan	Mar 2016
UEFA EURO 2016 / Winning Eleven 2016	PS4 / PS3	Global	Apr 2016
JIKKYOU PAWAFURU PUROYAKYU 2016	PS4 / PS3 PS Vita	Japan	Apr 2016
JIKKYOU PAWAFURU PUROYAKYU SUCCESS SPECIAL	PS4 / PS3 PS Vita	Japan	Apr 2016
Yu-Gi-Oh! Duel Links	App Store Google Play	Global (Initially Japan)	2016
Yu-Gi-Oh! Duel Monsters Saikyo Card Battle	3DS	Japan	Summer 2016



JIKKYOU PAWAFURU PUROYAKYU



TSUNAGA Lotta



Yu-Gi-Oh! Duel Links



UEFA EURO 2016 /
Winning Eleven 2016



ColorCoLotta 2
Wonderful Ocean



JIKKYOU PAWAFURU
PUROYAKYU 2016

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Revenue and segment profit

	(Yen in Billions)		
	FY2015 Results	FY2016 Results	FY2017 Guidance
	12 months ended March 2015	12 months ended March 2016	12 months ending March 2017
Revenue	73.3	71.3	70.0
Segment profit	1.9	2.7	3.0
Margin	2.6%	3.8%	4.3%

Note: Other expenses of JPY 2.0 billion (FY2015) and JPY 1.0 billion (FY2016) are not included in segment profit

FY2016 Q4 summary

- Promoted frequency-based pricing plans and enabled members to mutually use facilities nationwide
- Focus on increasing membership by renewing popular diet programs and enhancing exercise lessons for senior members
- Renewed design and features of S-BODY aero-bike for home use
- Revenue decline due to closures of large-scale gyms and decrease in number of contract-based facilities; Implemented cost reduction measures through optimization of operations

Revenue and segment profit

(Yen in Billions)

	FY2015 Results	FY2016 Results	FY2017 Guidance
	12 months ended March 2015	12 months ended March 2016	12 months ending March 2017
Revenue	33.8	34.3	33.0
Segment profit	6.3	5.6	6.0
Margin	18.8%	16.3%	18.2%

FY2016 Q4 summary

- Solid sales of the new Concerto cabinet launched in the latter half of 3Q in North America; initiated sales of the new cabinet in Asia / Oceania in 4Q.
- Solid number of casino management system SYNKROS installations throughout North American states
- Focused on offering a wide variety of product lineup in the Latin American and European markets and enhanced sales activities globally including the South African market

Pachislot & Pachinko Machines

Revenue and segment profit (loss)

(Yen in Billions)

	FY2015 Results <small>12 months ended March 2015</small>	FY2016 Results <small>12 months ended March 2016</small>	FY2017 Guidance <small>12 months ending March 2017</small>
Revenue	14.7	12.1	12.0
Segment profit (loss)	0.6	-1.1	0.0
Margin	3.8%	-	-

Note: Other expenses of JPY 0.2 billion (FY2015) and JPY 10.0 billion (FY2016) are not included in segment profit

FY2016 Q4 summary

- Launched “Magical Halloween 5”, the latest title from the “Magical Halloween” series with top-class utilization in the market and highly acclaimed by users and parlors

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THANK YOU