

FY2022 3rd Quarter Financial Results

Nine months ended December 31, 2021

KONAMI HOLDINGS CORPORATION
February 3, 2022

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, Amusement 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 Sports 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

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Consolidated Financial Results

(Yen in Billions)

	FY2021 Q1-3	FY2022 Q1-3	YoY Change (Amount)	YoY Change (%)
	9 months ended December 2020	9 months ended December 2021		
Revenue	191.9	215.0	23.1	+12.0%
Business profit	45.8	59.7	13.9	+30.2%
Other income and other expenses	△ 5.3	0.7	5.9	-
Operating profit	40.5	60.3	19.8	+48.8%
Profit before income taxes	39.5	59.9	20.3	+51.5%
Profit for the period (attributable to owners of the parent)	27.0	42.4	15.4	+56.9%
Earnings per share (JPY)	202.70	317.79	115.09	

Revenue by Business Segment

(Yen in Billions)

	FY2021 Q1-3 9 months ended December 2020	FY2022 Q1-3 9 months ended December 2021	YoY Change (Amount)	YoY Change (%)
Digital Entertainment	144.6	154.0	9.3	+6.4%
Amusement	11.3	13.7	2.4	+21.7%
Gaming & Systems	11.8	18.7	6.9	+58.9%
Sports	25.9	30.7	4.8	+18.4%
Eliminations	△ 1.6	△ 2.0	△ 0.3	-
Total	191.9	215.0	23.1	+12.0%

Profit by Business Segment

(Yen in Billions)

	FY2021 Q1-3 9 months ended December 2020	FY2022 Q1-3 9 months ended December 2021	YOY Change (Amount)	YoY Change (%)
Digital Entertainment	52.1	55.5	3.4	+6.5%
Amusement	1.2	2.3	1.1	+93.4%
Gaming & Systems	△ 1.5	2.5	4.0	-
Sports	△ 4.0	1.2	5.2	-
Corporate expenses and eliminatio	△ 2.0	△ 1.9	0.1	-
Total business profit	45.8	59.7	13.9	+30.2%
Other income and other expenses	△ 5.3	0.7	5.9	-
COVID-19 related loss	△ 4.6	△ 0.7	4.0	-
Other	△ 0.6	1.3	1.9	-
Total Operating Profit	40.5	60.3	19.8	+48.8%

Earnings guidance for FY2022 (TBD)

Although the spread of COVID-19 was in a temporary lull due to the progress made with vaccine rollout and other measures, visibility remains low with the new variant surge.

Hence, consolidated earnings outlook for the fiscal year ending March 2022 has not been determined with the challenging circumstances to make a reasonable calculation.

We will promptly disclose our guidance when a reasonable projection becomes possible.

Dividend Forecast for FY2022 (No change)

(JPY)

	FY2021 dividend	FY2022 dividend forecast	YoY Change (Amount)
	12 months ended March 2021	12 months ending March 2022	
Interim dividend	22.50	36.50	14.00
Year-end dividend	50.50	36.50 (forecast)	△ 14.00
Annual dividend	73.00	73.00 (forecast)	0.00

No change to the forecast announced on May 13. We will recalculate the dividend to achieve a payout ratio of more than 30% as our basic policy, when the earnings guidance is determined for the year ending March 2022.

Revenue and profit

(Yen in Billions)

	FY2021 Q1-3	FY2022 Q1-3	YoY Change (Amount)	YoY Change (%)
	9 months ended December 2020	9 months ended December 2021		
Revenue	144.6	154.0	9.3	+6.4%
Business profit	52.1	55.5	3.4	+6.5%
Operating profit	50.9	55.5	4.6	+9.0%
Operating profit margin	35%	36%		

*Operating profit for FY2021 includes other expenses of JPY 1.2 billion

FY2022 Q3 summary

- Strong performance of mobile game PROFESSIONAL BASEBALL SPIRITS A driven by measures commemorating its 6th anniversary.
- Yu-Gi-Oh! TRADING CARD GAME continues to gain global support and deliver strong performance amid COVID-19 epidemic.
- Released video games Tokimeki Memorial Girl's Side 4th Heart, a latest iteration of the series, and PAWAPUROKUN POCKET R.
- eSports initiative: league matches held for the 2021 season of "eBASEBALL Prospi A League" jointly held with the Nippon Professional Baseball (NPB) with participation from the representative players of all 12 professional teams.

Revenue and profit

(Yen in Billions)

	FY2021 Q1-3	FY2022 Q1-3	YoY Change (Amount)	YoY Change (%)
	9 months ended December 2020	9 months ended December 2021		
Revenue	11.3	13.7	2.4	+21.7%
Business profit	1.2	2.3	1.1	+93.4%
Operating profit	1.2	2.1	0.9	+78.3%
Operating profit margin	10%	15%		

*Operating profit for FY2022 includes other expenses of JPY 0.2 billion

FY2022 Q3 summary

- Launched GI-World Classic RISING, the latest iteration of the horse racing medal game GI-World Classic series.
- Released the latest model of the Sengoku Collection series Pachinko Sengoku Collection Sweet Little Devil 99.
- Solid performance of KONAMI AMUSEMENT GAME STATION, a streaming service of arcade games for PCs and smartphones through cloud gaming technology; released popular titles e.g. medal games / Bomber Girl and initiated services for iOS devices in addition to PC and Android devices.

Revenue and profit

(Yen in Billions)

	FY2021 Q1-3	FY2022 Q1-3	YoY Change (Amount)	YoY Change (%)
	9 months ended December 2020	9 months ended December 2021		
Revenue	11.8	18.7	6.9	+58.9%
Business profit	△ 1.5	2.5	4.0	-
Operating profit	△ 1.7	2.5	4.2	-
Operating profit margin	△ 15%	14%		

*YoY impact from yen depreciation: revenue JPY +1.0 billion, operating profit JPY +0.2 billion

FY2022 Q3 summary

- New content Fortune Mint, released on DIMENSION 27 and DIMENSION 49 core cabinets, delivers strong performance in the US market.
- Solid performance from launches of DIMENSION 27 and DIMENSION 49 cabinets in the Australian market.
- Casino management system SYNKROS sustains strong performance with continued instalments at casinos.

Revenue and profit

(Yen in Billions)

	FY2021 Q1-3	FY2022 Q1-3	YoY Change (Amount)	YoY Change (%)
	9 months ended December 2020	9 months ended December 2021		
Revenue	25.9	30.7	4.8	+18.4%
Business profit	△ 4.0	1.2	5.2	-
Operating profit	△ 8.3	1.5	9.9	-
Operating profit margin	△32%	5%		

*Operating profit includes COVID-19 related loss (fixed cost during temporary closure etc.) of JPY 4.3 billion (FY2021) and JPY 0.7 billion (FY2022)

FY2022 Q3 summary

- Structural reform including closures of unprofitable gyms leading to improved earnings.
- Lift of state of emergency resulting in increase of gym visitations by 47% in October 2021 vs May.
- Increased the number of contracts for school support services (swimming class coaching and club activity coaching) to 25.

Titles Released in Oct - Dec 2021 / Pipeline(1)

Title	Platform	Geography	Release Date	Business Segment (※1)
Tokimeki Memorial Girl's Side 4th Heart	Nintendo Switch™	Japan	Oct '21	DE
PAWAPUROKUN POCKET R	Nintendo Switch™	Japan	Nov '21	DE
Yu-Gi-Oh! RUSH DUEL Dawn of the Battle Royale!!	Nintendo Switch™	Europe, America	Dec '21	DE
Yu-Gi-Oh! MASTER DUEL	Nintendo Switch™, PlayStation®4, PlayStation®5, Xbox One, Xbox Series X/S, Steam®, App Store, Google Play	Global	Jan '22	DE
eBASEBALL PAWAFURU PUROYAKYU 2022	Nintendo Switch™ PlayStation®4	Japan	Apr '22	DE
GetsuFumaDen: Undying Moon	Steam® Nintendo Switch™	Global	2022 (※2)	DE
EDENS ZERO (Console Game 3D Action RPG)	TBD	TBD	TBD	DE
EDENS ZERO Pocket Galaxy	App Store, Google Play	Global	TBD	DE
Yu-Gi-Oh! CROSS DUEL	App Store, Google Play	Global	TBD	DE
SHINEPOST	App Store, Google Play	Japan	TBD	DE

※1 DE: Digital Entertainment
 ※2 Early reservation discount access started from May 2021



PAWAPUROKUN POCKET R



Yu-Gi-Oh! RUSH DUEL Dawn of the Battle Royale!!



Yu-Gi-Oh! MASTER DUEL



Tokimeki Memorial Girl's Side 4th Heart



eBASEBALL PAWAFURU PUROYAKYU 2022



Yu-Gi-Oh! CROSS DUEL

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©NPB Franchise stadiums official recognition
 As a rule, the signboard in the stadium reproduced in the game is produced based on data during the professional baseball pennant season in 2021
 All other copyrights or trademarks are the property of their respective owners and are used under license.

Titles Released in Oct - Dec 2021 / Pipeline(2)

Title	Platform	Geography	Release Date	Business Segment (※)
Pachinko Sengoku Collection Sweet Little Devil 99	Amusement machine	Japan	Nov '21	AM
GI-WorldClassic RISING	Amusement machine	Japan	Dec '21	AM
GRANDCROSS GOLD	Amusement machine	Japan	Jan '22	AM
High School DxD2	Amusement machine	Japan	Jan '22	AM
QuizKnock STADIUM	Amusement machine	Japan	Mar '22	AM
ColorCoLotta Frozen Island	Amusement machine	Japan	Mar '22	AM
Pachinko Sengoku Collection BLACK	Amusement machine	Japan	Mar '22	AM
DIMENSION 75C	Gaming machine	North America	Apr '22	GS
DIMENSION TOP Box	Gaming machine	North America	Oct '22	GS

※ AM: Amusement GS: Gaming & Systems



GI-WorldClassic RISING



QuizKnock STADIUM



GRANDCROSS GOLD



ColorCoLotta Frozen Island



DIMENSION 75C



DIMENSION TOP Box

Consolidated Business Performance

(Yen in Billions)

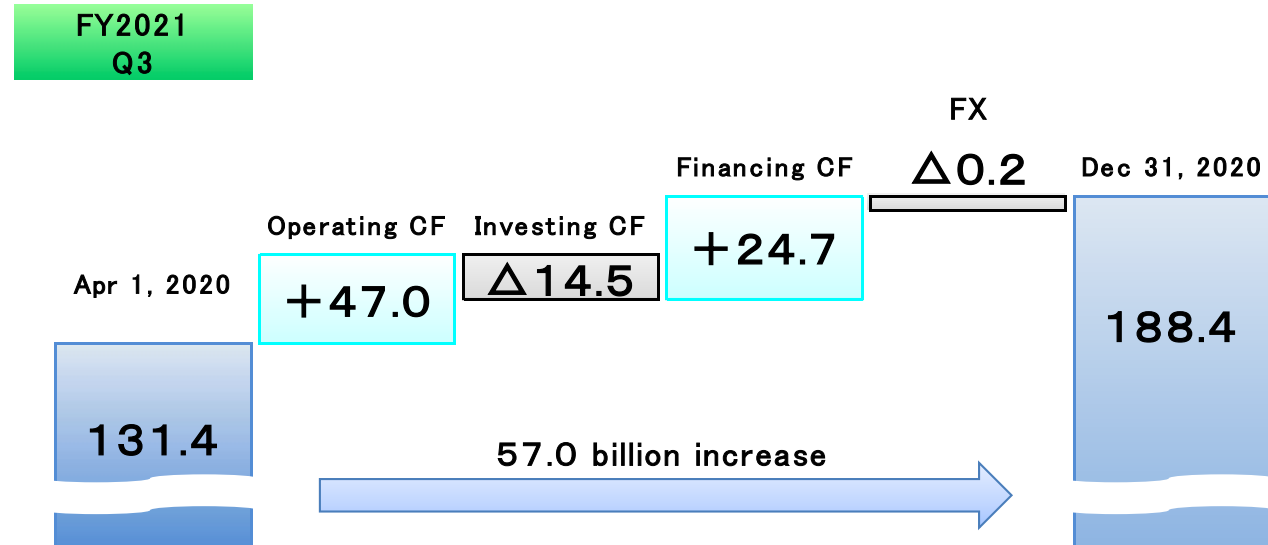
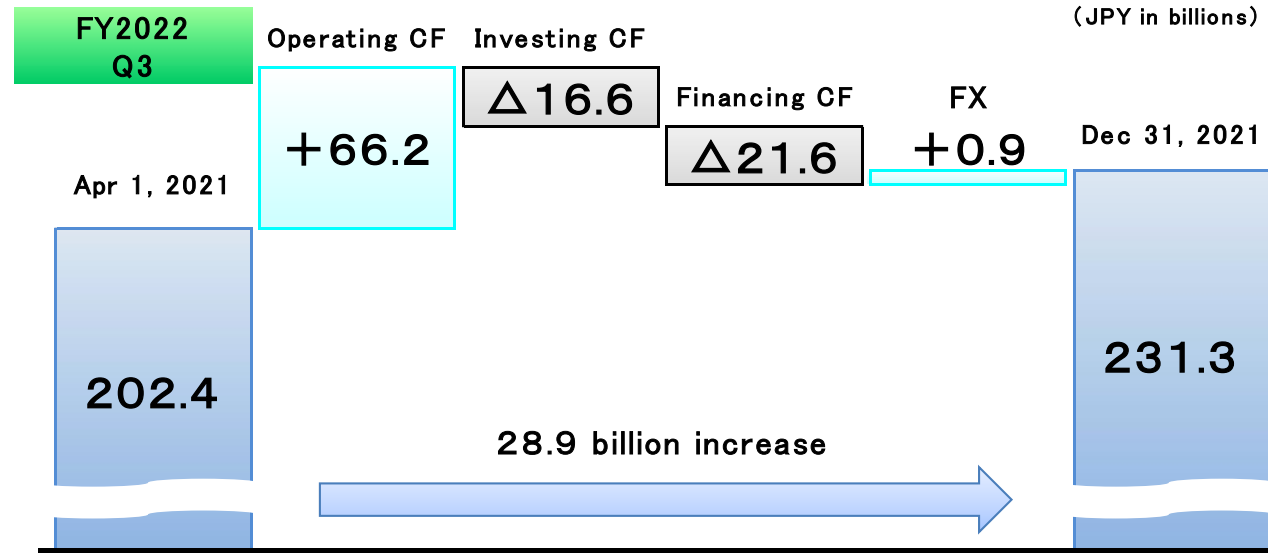
	FY2021 Q1-3	percentile	FY2022 Q1-3	percentile	YoY Change (Amount)	YoY Change (%)
Revenue	191.9	100.0%	215.0	100.0%	23.1	+12.0%
Total cost of revenue	△ 112.6	58.7%	△ 117.2	54.5%	△ 4.6	
SG&A	△ 33.5	17.5%	△ 38.2	17.7%	△ 4.6	
Other income and other expenses	△ 5.3	2.7%	△ 0.7	△ 0.3%	5.9	
Operating profit	40.5	21.1%	60.3	28.0%	19.8	+48.8%
Finance income	0.1		0.4		0.3	
Finance costs	△ 1.3		△ 0.6		0.7	
Profit from investments accounted for using the equity method	0.2		△ 0.2		△ 0.4	
Profit before income taxes	39.5	20.6%	59.9	27.8%	20.3	+51.5%
Income taxes	△ 12.5	6.5%	△ 17.5	8.1%	△ 5.0	
Profit for the period	27.0	14.1%	42.4	19.7%	15.4	+56.9%
Profit attributable to:						
Owners of the parent	27.0	14.1%	42.4	19.7%	15.4	+56.9%
Non-controlling interests	0.0	0.0%	0.0	0.0%	△ 0.0	

Consolidated Financial Position

(Yen in Billions)

	Mar 31, 2021	Dec 31, 2021	change		Mar 31, 2021	Dec 31, 2021	change
Current assets				Current liabilities			
Cash and cash equivalents	202.4	231.3	28.9	Bonds and borrowings	5.5	11.8	6.3
Trade and other receivables	31.9	29.3	△ 2.6	Trade and other payables	32.8	32.2	△ 0.7
Inventories	10.4	8.8	△ 1.6	Other current liabilities	41.5	37.3	△ 4.2
Other current assets	22.0	12.4	△ 9.6	Total current liabilities	79.9	81.3	1.4
Total current assets	266.7	281.7	15.1	Non-current liabilities			
	(54.5%)	(54.7%)		Bonds and borrowings	69.6	59.8	△ 9.9
Non-current assets				Other non-current liabilities	40.0	40.7	0.7
Property, plant and equipment, net	106.0	108.2	2.2	Total non-current liabilities	109.6	100.4	△ 9.2
Goodwill and intangible assets	36.8	47.5	10.7	Total liabilities	189.5	181.7	△ 7.8
Investment Property	32.4	32.4	△ 0.0	Total equity attributable to owners of the parent	298.7	332.5	33.8
Deferred tax assets	25.1	23.6	△ 1.4		(61.1%)	(64.6%)	
Other non-current assets	22.0	21.5	△ 0.5	(per share: JPY)	(2,242.47)	(2489.13)	(246.66)
Total non-current assets	222.3	233.3	10.9	Non-controlling interests	0.8	0.8	0.0
	(45.5%)	(45.3%)		Total equity	299.5	333.3	33.8
Total assets	489.0	515.0	26.0	Total liabilities and equity	489.0	515.0	26.0

Consolidated Cash Flows



THANK YOU