

# FY2023 2<sup>nd</sup> Quarter Financial Results

Six months ended September 30, 2022

KONAMI GROUP CORPORATION  
November 2, 2022

## Cautionary statement with respect to forward-looking statements

Statements made in this presentation with respect to KONAMI GROUP'S 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

➤ Consolidated Financial Results _____	4
➤ Revenue by Business Segment _____	5
➤ Profit by Business Segment _____	6
➤ Dividend Forecast for FY2023 _____	7
➤ Digital Entertainment _____	8
➤ Amusement _____	9
➤ Gaming & Systems _____	10
➤ Sports _____	11
➤ Titles Released in Jul - Sep 2022 / Pipeline _____	12
➤ Consolidated Business Performance _____	14
➤ Consolidated Financial Position _____	15
➤ Consolidated Cash Flows _____	16

## Consolidated Financial Results

(Yen in Billions)

	FY2022 H1	FY2023 H1	YoY Change (Amount)	YoY Change (%)	FY2023 Guidance
	6 months ended September 2021	6 months ended September 2022			12 months ending March 2023
Revenue	139.5	148.4	8.9	+6.4%	320.0
Business profit	38.6	25.6	△ 13.0	△33.7%	81.0
Other income and other expenses	0.5	△ 0.2	△ 0.7	-	△ 4.5
Operating profit	39.1	25.4	△ 13.7	△35.1%	76.5
Profit before income taxes	38.7	27.5	△ 11.2	△28.9%	76.5
Profit for the period (attributable to owners of the parent)	27.6	19.8	△ 7.7	△28.0%	55.0
Earnings per share (JPY)	206.79	147.87	△ 58.92		411.74

## Revenue by Business Segment

(Yen in Billions)

	FY2022 H1 6 months ended September 2021	FY2023 H1 6 months ended September 2022	YoY Change (Amount)	YoY Change (%)	FY2023 Guidance 12 months ending March 2023
Digital Entertainment	98.6	102.7	4.1	+4.1%	225.0
Amusement	10.0	7.2	△ 2.8	△27.9%	22.0
Gaming & Systems	12.3	17.1	4.8	+39.5%	29.0
Sports	19.9	22.5	2.5	+12.6%	46.0
Eliminations	△ 1.3	△ 1.1	0.2	-	△ 2.0
<b>Total</b>	<b>139.5</b>	<b>148.4</b>	<b>8.9</b>	<b>+6.4%</b>	<b>320.0</b>

## Profit by Business Segment

(Yen in Billions)

	FY2022 H1 6 months ended September 2021	FY2023 H1 6 months ended September 2022	YoY Change (Amount)	YoY Change (%)	FY2023 Guidance 12 months ending March 2023
Digital Entertainment	35.8	23.5	△ 12.3	△34.4%	76.5
Amusement	1.7	1.1	△ 0.6	△38.0%	4.0
Gaming & Systems	1.8	2.0	0.2	+9.5%	4.0
Sports	0.5	0.5	△ 0.0	△8.9%	1.0
Corporate expenses and eliminations	△ 1.3	△ 1.4	△ 0.2	-	△ 4.5
<b>Total business profit</b>	<b>38.6</b>	<b>25.6</b>	<b>△ 13.0</b>	<b>△33.7%</b>	<b>81.0</b>
Other income and other expenses	0.5	△ 0.2	△ 0.7	-	△ 4.5
<b>Total operating profit</b>	<b>39.1</b>	<b>25.4</b>	<b>△ 13.7</b>	<b>△35.1%</b>	<b>76.5</b>

## Dividend Forecast for FY2023 (No change)

(JPY)

	FY2022 dividend	FY2023 dividend forecast	YoY Change (Amount)
	12 months ended March 2022	12 months ending March 2023	
Interim dividend	<b>36.50</b>	<b>62.00</b> (declared)	<b>25.50</b>
Year-end dividend	<b>87.00</b>	<b>62.00</b> (forecast)	△ <b>25.00</b>
Annual dividend	<b>123.50</b>	<b>124.00</b> (forecast)	<b>0.50</b>

No change to the forecast announced on May 12. The interim dividend is declared to be JPY62 per share.

### Revenue and profit

(Yen in Billions)

	FY2022 H1 6 months ended September 2021	FY2023 H1 6 months ended September 2022	YoY Change (Amount)	YoY Change (%)	FY2023 Guidance 12 months ending March 2023
Revenue	98.6	102.7	4.1	+4.1%	225.0
Business profit	35.8	23.5	△ 12.3	△34.4%	76.5
Operating profit	35.8	23.5	△ 12.3	△34.4%	72.0
Operating profit margin	36%	23%			32%

### FY2023 Q2 summary

- eFootball™ 2023 launched in August: new teams / players added and improved controls
- Release of Teenage Mutant Ninja Turtles: The Cowabunga Collection off to a good start led by US and European markets
- Yu-Gi-Oh! TRADING CARD GAME continues to sustain strong performance with revenue growth on a global scale
- esports initiatives: eFootball™ Championship Open 2022 and KC Grand Tournament 2022 for Yu-Gi-Oh! Duel Links, among other tournaments, were streamed live worldwide



### Revenue and profit

(Yen in Billions)

	FY2022 H1 6 months ended September 2021	FY2023 H1 6 months ended September 2022	YoY Change (Amount)	YoY Change (%)	FY2023 Guidance 12 months ending March 2023
Revenue	10.0	7.2	△ 2.8	△27.9%	22.0
Business profit	1.7	1.1	△ 0.6	△38.0%	4.0
Operating profit	1.6	1.1	△ 0.5	△32.9%	4.0
Operating profit margin	16%	15%			18%

\*Operating profit for FY2022 includes other expenses of JPY 0.1 billion

### FY2023 Q2 summary

- PACHISLOT BOMBERGIRL launched as the first No. 6.5 model
- Continued strong performance from KONAMI AMUSEMENT GAME STATION, an arcade game service offered for PC and smartphone devices
- Co-hosted the eMAH-JONG MAH-JONG FIGHT CLUB Pro Tournament with Japan Professional Mahjong League, an esports tournament based on mobile game MAH-JONG FIGHT CLUB Sp

### Revenue and profit

(Yen in Billions)

	FY2022 H1 6 months ended September 2021	FY2023 H1 6 months ended September 2022	YoY Change (Amount)	YoY Change (%)	FY2023 Guidance 12 months ending March 2023
Revenue	12.3	17.1	4.8	+39.5%	29.0
Business profit	1.8	2.0	0.2	+9.5%	4.0
Operating profit	1.8	2.0	0.2	+9.3%	4.0
Operating profit margin	15%	12%			14%

\*YoY impact from yen depreciation: revenue JPY +2.9 billion, operating profit JPY +0.3 billion

### FY2023 Q2 summary

- The core DIMENSION series cabinets continue to deliver strong sales
- DIMENSION 75C™, featuring a 75-inch curved monitor, launched in August under participation model
- Casino management systems sustains strong performance with continued instalments of SYNKROS at casino facilities

### Revenue and profit

(Yen in Billions)

	FY2022 H1 6 months ended September 2021	FY2023 H1 6 months ended September 2022	YoY Change (Amount)	YoY Change (%)	FY2023 Guidance 12 months ending March 2023
Revenue	19.9	22.5	2.5	+12.6%	46.0
Business profit	0.5	0.5	△ 0.0	△8.9%	1.0
Operating profit	0.8	0.3	△ 0.5	△62.4%	1.0
Operating profit margin	4%	1%			2%

\*Operating profit includes other profit of JPY 0.3 billion (FY2022) and other expense of JPY 0.2 billion (FY2023)

### FY2023 Q2 summary

- Appointed by the local government of Toyohashi City (Aichi) as an operator for the city's sports facility and commenced operation in October, as part of an initiative to expand network under an asset-light business model
- Opened a second pilates studio - Pilates Mirror Kichijoji - in August and announced the opening of a third studio in Sakurashimmachi in December
- Launched new swimming schools at four facilities in response to growing demand for swimming lessons for children

## Titles Released in Jul – Sep 2022 / Pipeline(1)

Title	Platform	Geography	Release Date	Business Segment (※)
Yu-Gi-Oh! CROSS DUEL	App Store, Google Play	Global	Jul '22	DE
AMAZING BOMBERMAN	Apple Arcade	Global	Aug '22	DE
Teenage Mutant Ninja Turtles: The Cowabunga Collection	Nintendo Switch™, PlayStation®4, PlayStation®5, Xbox One, Xbox Series X S, Steam®	Global	Aug '22	DE
Yu-Gi-Oh! RUSH DUEL Dawn of the Battle Royale!! 2	Nintendo Switch™	Japan	Dec '22	DE
SUPER BOMBERMAN R 2	Nintendo Switch™, PlayStation®4, PlayStation®5, Xbox One, Xbox Series X S, Steam®	Global	2023	DE
Suikoden I&II HD Remaster Gate Rune & Dunan Unification Wars	Nintendo Switch™, PlayStation®4, Xbox One, Steam®	Global	2023	DE
CYGN: All Guns Blazing	PlayStation®5, Xbox Series X S, Steam®	Global	2023	DE
Shine Post: Be Your Idol!	App Store, Google Play	Japan	TBD	DE
SILENT HILL 2	PlayStation®5, Steam®	Global	TBD	DE
SILENT HILL: Townfall	TBD	Global	TBD	DE
SILENT HILL f	TBD	Global	TBD	DE

※ DE: Digital Entertainment



SILENT HILL 2



Yu-Gi-Oh! CROSS DUEL



Yu-Gi-Oh! RUSH DUEL Dawn of the Battle Royale!! 2



SUPER BOMBERMAN R 2



Suikoden I&II HD Remaster Gate Rune & Dunan Unification Wars



Teenage Mutant Ninja Turtles: The Cowabunga Collection

## Titles Released in Jul – Sep 2022 / Pipeline(2)

Title	Platform	Geography	Release Date	Business Segment (※)
BOMBERGIRL RAINBOW	Arcade Machine (Video Game)	Japan	Jul '22	AM
PACHISLOT BOMBERGIRL	Pachislot Machine	Japan	Sep '22	AM
Pachinko GI Derby Club 2 Breaking Through the Ultra-Limit	Pachinko Machine	Japan	Nov '22	AM
CHASE CHASE JOKERS	Arcade Machine (Video Game)	Japan	TBD	AM
Momotaro Dentetsu Medal Game mo Teiban!	Arcade Machine (Medal Game)	Japan	TBD	AM
Animalotta Yumeno Animaland	Arcade Machine (Medal Game)	Japan	TBD	AM
DIMENSION 75C	Gaming Machine	North America	Aug '22	GS
DIMENSION TOP Box	Gaming Machine	North America	Jan '23	GS

※ AM: Amusement GS: Gaming & Systems



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CHASE CHASE JOKERS



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PACHISLOT BOMBERGIRL



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©Konami Amusement

Momotaro Dentetsu Medal Game mo Teiban!



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Animalotta Yumeno Animaland



DIMENSION 75C



DIMENSION TOP Box

## Consolidated Business Performance

(Yen in Billions)

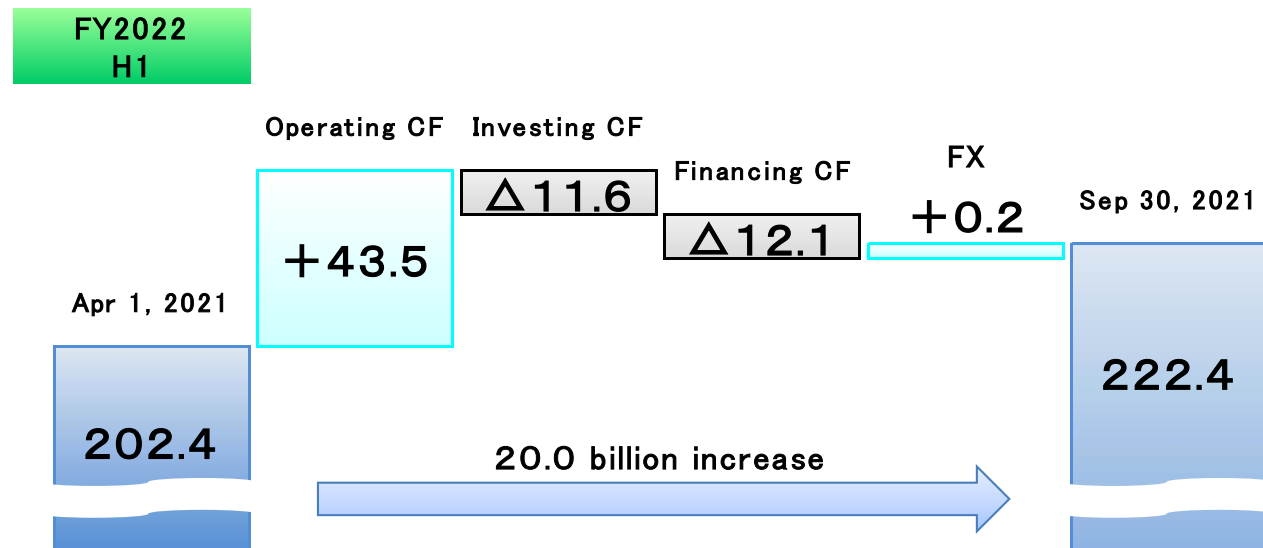
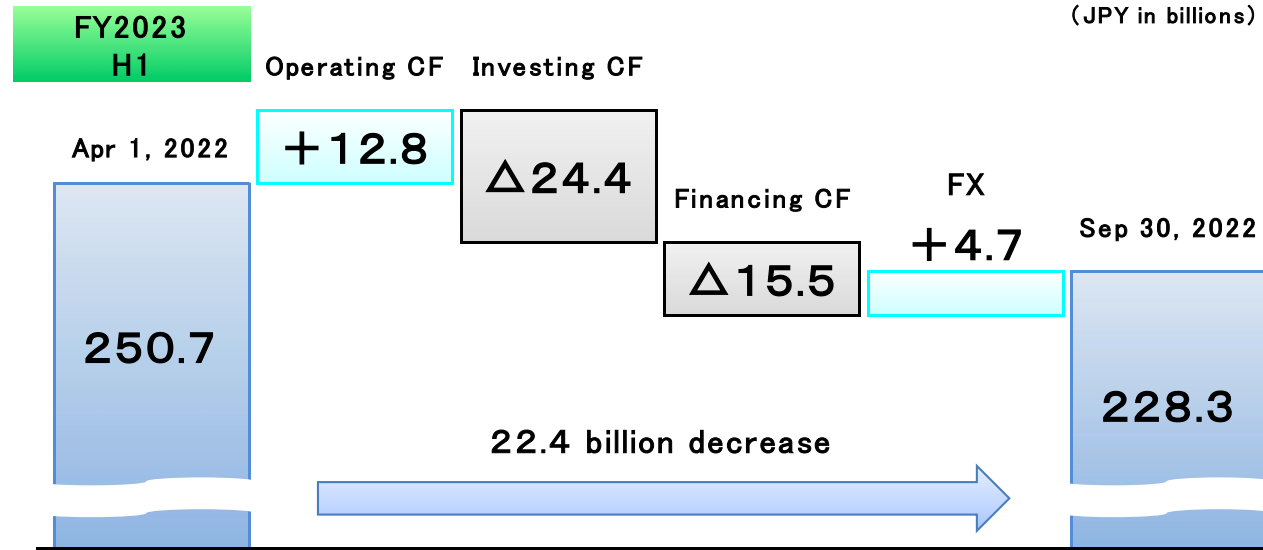
	FY2022 H1	percentile	FY2023 H1	percentile	YoY Change (Amount)	YoY Change (%)
Revenue	139.5	100.0%	148.4	100.0%	8.9	+6.4%
Total cost of revenue	△ 75.7	54.3%	△ 91.8	61.8%	△ 16.0	
SG&A	△ 25.1	18.0%	△ 31.0	20.9%	△ 5.9	
Other income and other expenses	0.5	△ 0.3%	△ 0.2	0.1%	△ 0.7	
Operating profit	39.1	28.0%	25.4	17.1%	△ 13.7	△ 35.1%
Finance income	0.1		2.4		2.2	
Finance costs	△ 0.4		△ 0.4		0.0	
Profit from investments accounted for using the equity method	△ 0.2		0.1		0.3	
Profit before income taxes	38.7	27.7%	27.5	18.5%	△ 11.2	△ 28.9%
Income taxes	△ 11.1	8.0%	△ 7.6	5.1%	3.5	
Profit for the period	27.6	19.8%	19.8	13.4%	△ 7.7	△ 28.0%
Profit attributable to:						
Owners of the parent	27.6	19.8%	19.8	13.4%	△ 7.7	△ 28.0%
Non-controlling interests	0.0	0.0%	0.0	0.0%	△ 0.0	

## Consolidated Financial Position

(Yen in Billions)

	Mar 31, 2022	Sep 30, 2022	change		Mar 31, 2022	Sep 30, 2022	change
Current assets				Current liabilities			
Cash and cash equivalents	250.7	228.3	△ 22.4	Bonds and borrowings	8.4	0.3	△ 8.1
Trade and other receivables	29.1	27.7	△ 1.4	Trade and other payables	33.5	31.8	△ 1.7
Inventories	9.0	13.4	4.5	Other current liabilities	40.7	33.9	△ 6.8
Other current assets	10.9	19.8	8.9	Total current liabilities	82.6	66.0	△ 16.6
Total current assets	299.6	289.2	△ 10.4	Non-current liabilities			
	(56.7%)	(54.1%)		Bonds and borrowings	59.8	59.8	0.0
Non-current assets				Other non-current liabilities	38.2	36.4	△ 1.8
Property, plant and equipment, net	138.9	151.7	12.8	Total non-current liabilities	98.0	96.2	△ 1.8
Goodwill and intangible assets	45.4	49.9	4.5	Total liabilities	180.5	162.1	△ 18.4
Investment Property	3.2	3.2	0.1	Total equity attributable to owners of the parent	348.1	372.8	24.8
Deferred tax assets	23.7	23.3	△ 0.4		(65.8%)	(69.7%)	
Other non-current assets	17.9	17.7	△ 0.2	(per share: JPY)	(2,605.63)	(2,751.62)	(145.99)
Total non-current assets	229.0	245.7	16.8	Non-controlling interests	0.0	0.0	0.0
	(43.3%)	(45.9%)		Total equity	348.1	372.8	24.8
Total assets	528.6	535.0	6.4	Total liabilities and equity	528.6	535.0	6.4

## Consolidated Cash Flows





THANK YOU