

**Consolidated Financial Results  
for the Six Months Ended September 30, 2021  
(Prepared in Accordance with IFRS)**

November 4, 2021

**KONAMI HOLDINGS CORPORATION**

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 Stock code number, TSE: 9766  
 Ticker symbol, LSE: KNM  
 URL: <https://www.konami.com/>  
 Shares listed: Tokyo Stock Exchange and London Stock Exchange  
 Representative: Kimihiko Higashio, Representative Director, President  
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 Beginning date of dividend payment: November 25, 2021

(Amounts are rounded to the nearest million, except percentages and per share amounts)

**1. Consolidated Financial Results for the Six Months Ended September 30, 2021**
**(1) Consolidated Results of Operations**

(Millions of Yen, except percentages and per share amounts)

	Revenue	Business profit	Operating profit	Profit before income taxes	Profit for the period	Profit attributable to owners of the parent
Six months ended September 30, 2021	139,486	38,639	39,110	38,673	27,559	27,558
% change from previous year	20.2%	50.2%	83.0%	91.3%	99.9%	99.8%
Six months ended September 30, 2020	116,072	25,727	21,368	20,215	13,788	13,791
% change from previous year	(4.1)%	23.6%	2.1%	(0.9)%	(9.3)%	(9.3)%

Total comprehensive income for the period: Six months ended September 30, 2021: ¥27,737 million; 106.2%

Six months ended September 30, 2020: ¥13,450 million; (1.6)%

Note) Business profit is calculated by deducting "cost of revenue" and "selling, general and administrative expenses" from "revenue."

	Basic earnings per share (attributable to owners of the parent) (yen)	Diluted earnings per share (attributable to owners of the parent) (yen)
Six months ended September 30, 2021	206.79	203.47
Six months ended September 30, 2020	103.52	101.90

**(2) Consolidated Financial Position**

(Millions of Yen, except percentages and per share amounts)

	Total assets	Total equity	Total equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
September 30, 2021	501,274	322,131	321,315	64.1%
March 31, 2021	489,006	299,542	298,727	61.1%

## 2. Cash Dividends

Record Date	Cash dividends per share (yen)				
	First quarter end	Second quarter end	Third quarter end	Year end	Annual
Year ended March 31, 2021	-	22.50	-	50.50	73.00
Year ending March 31, 2022	-	36.50			
Year ending March 31, 2022 (Forecast)			-	36.50	73.00

Note) Recently announced change in dividend forecasts for the fiscal year ending March 31, 2022 during the three months ended September 30, 2021: No

## 3. Consolidated Earnings Forecast for the Year Ending March 31, 2022

It is difficult to reasonably calculate the impact of the spread of COVID-19 on our projected consolidated results at present. Projected consolidated results for the fiscal year ending March 31, 2022 has consequently not been determined. We will carefully assess the projections and announce it promptly when we can disclose it.

### Noted Items

**(1) Changes in significant consolidated subsidiaries during the period (status changes of subsidiaries due to changes in the scope of consolidation):** None

**(2) Changes in accounting policies and accounting estimate**

1. Changes in accounting policies required by IFRS: No
2. Other changes: No
3. Changes in accounting estimate: No

**(3) Number of shares issued (Share capital)**

1. Number of shares issued: (Treasury shares included)
  - As of September 30, 2021 143,500,000 shares
  - As of March 31, 2021 143,500,000 shares
2. Number of treasury shares:
  - As of September 30, 2021 9,919,212 shares
  - As of March 31, 2021 10,286,773 shares
3. Average number of shares outstanding:
  - Six months ended September 30, 2021 133,265,479 shares
  - Six months ended September 30, 2020 133,214,445 shares

***Earnings release (Kessan Tanshin) regarding these consolidated financial results is not subject to auditing procedures.***

***Cautionary statement with respect to forward-looking statements and other matters:***

Statements made in this document with respect to our current plans, estimates, strategies and beliefs, including the above forecasts, are forward-looking statements about our future performance. 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: (i) changes in economic conditions affecting our operations; (ii) fluctuations in currency exchange rates, particularly with respect to the value of the Japanese yen, the U.S. dollar and the Euro; (iii) our 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; (iv) the timing of the release of new game titles and products, especially game titles and products that are part of historically popular series; (v) our ability to successfully expand internationally with a focus on our Digital Entertainment, Amusement, and Gaming & Systems businesses; (vi) our ability to successfully expand the scope of our business and broaden our customer base through our Sports business; (vii) regulatory developments and changes and our ability to respond and adapt to those changes; (viii) our expectations with regard to further acquisitions and the integration of any companies we may acquire; and (ix) the outcome of existing contingencies.

Please refer to page from 9 to 12 for further information regarding our business forecasts.

KONAMI HOLDINGS CORPORATION (the "Company") disclosed the supplemental data for the consolidated financial statements via the Company's website on November 4, 2021.

# 1. Business Performance

## (1) Analysis of Business Performance

### (1) Business Overview

For the six months ended September 30, 2021, we were faced with a difficult situation where the number of people infected with COVID-19 drastically increased, caused by factors such as the spread of a variant strain of the virus. However, due to the progress made with vaccinations and other measures, we are beginning to see a gradual recovery. Although the situation remains unpredictable, we have seen that efforts are being made to resume socioeconomic activities.

Amidst these circumstances, in terms of the business results of Konami Group for the six months ended September 30, 2021, in addition to continued strong performance in the Digital Entertainment business, efforts to recover our performance in the Amusement business, Gaming & Systems business and Sports business have begun to show results although the impact of the spread of COVID-19 remains. As a result, revenues have increased, and business profit, operating profit, profit before income taxes and profit attributable to owners of the parent for the six months ended September 30, 2021 have reached a record high for the first half of the fiscal year.

In terms of the consolidated results for the six months 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%).

## (2) Performance by Business Segment

Summary of total revenue by business segment:

	Millions of Yen, except percentages		
	Six months ended September 30, 2020	Six months ended September 30, 2021	% change
<b>Total revenue:</b>			
Digital Entertainment	¥88,272	¥98,632	11.7
Amusement	6,587	9,959	51.2
Gaming & Systems	7,150	12,274	71.7
Sports	15,122	19,942	31.9
Intersegment eliminations	(1,059)	(1,321)	-
Total revenue	¥116,072	¥139,486	20.2

### Digital Entertainment

In the entertainment market, future development of game content is expected through the functional enhancement of various devices, including mobile devices and video game consoles, and the rollout of next generation communication systems. In conjunction with the changing times, the preference for enriching daily life through full and abundant experiences in personal spending has been strengthened. Furthermore, new experiences through game content are being offered in various ways, including eSports, which is regarded as a form of sports competition and is becoming well-known to a wide range of users and attracting more and more fans.

Amidst these circumstances, *eFootball Winning Eleven 2021* (Known overseas as *eFootball PES 2021*), with the cumulative number of downloads around the world having reached 450 million, and *Yu-Gi-Oh! DUEL LINKS* led our revenue in our mobile games business. In the domestic market, *PROFESSIONAL BASEBALL SPIRITS A (Ace)*, which included campaigns such as allowing players to acquire Samurai Japan players, has continued to perform well, and *JIKKYOU PAWAFURU PUROYAKYU* has been well-received by our customers. In addition, we released *Castlevania: Grimoire of Souls* on the Apple Arcade service as the latest entry in the *Castlevania* series.

In the card game space, we continued the global expansion of *Yu-Gi-Oh! TRADING CARD GAME*, and even amidst the COVID-19 pandemic, it received strong support, both in Japan and overseas. At the same time, we worked to promote *Yu-Gi-Oh! RUSH DUEL* with a focus on younger customers through measures such as selling prebuilt decks used by characters who appear in the anime at a reasonable price, to make it easy for players to get started.

In the computer and video games space, *Momotaro Dentetsu: Showa, Heisei, Reiwa mo teiban*, which we updated to add new functionality, as well as *SUPER BOMBERMAN R ONLINE*, which has surpassed three million total downloads worldwide, have continued to garner attention from customers. We sold *eBASEBALL PROFESSIONAL BASEBALL SPIRITS 2021 Grand slam* and *Yu-Gi-Oh!*

*RUSH DUEL: Saikyou Battle Royale!!* for the Nintendo Switch™ as new titles, and worked to jump-start their content even further. In addition, we launched *eFootball™ 2022* as a new brand to be developed, a free-to-play game powered by a new game engine, which is being enjoyed by a wide range of players.

In the eSports space, we held the final stage of the “KC Grand Tournament 2021,” a large-scale online global tournament for *Yu-Gi-Oh! DUEL LINKS*, to decide the champion. For the *eFootball Winning Eleven 2021* mobile game, we hosted the finals for “MEIJI YASUDA eJ.LEAGUE Winning Eleven 2021 Season” jointly with the Japan Professional Football League (J.League), and presented a hotly contested battle for the title of the winning club. Furthermore, for *eBASEBALL PAWAFURU PUROYAKYU 2020*, we hosted the “eALL STAR 2021” jointly with the Nippon Professional Baseball Organization (NPB), and held the final showdown by professional players.

In terms of financial performance, total revenue for the six months ended September 30, 2021 in this segment amounted to ¥98,632 million (a year-on-year increase of 11.7%) and business profit for the six months ended September 30, 2021 amounted to ¥35,848 million (a year-on-year increase of 15.5%).

## **Amusement**

In the amusement market, the global spread of COVID-19 has continued to affect sales of devices because of the temporary closure of amusement facilities, in addition to having an impact on e-amusement participation (revenue share business). For domestic amusement facilities, operations resumed after last year’s state-of-emergency declaration and the prefectural business closure requests were lifted, and the number of visitors is recovering, however, the state-of-emergency being declared once again had some effect. Overseas, the market is still expected to take time to recover.

Amidst these circumstances, in our business for video games targeted at amusement facilities, we held many online events, such as “BEMANI 2021 Midsummer Song Five-Match Battle,” and we are promoting initiatives that will lead to market recovery. On “KONAMI AMUSEMENT GAME STATION,” our service which allows players to enjoy arcade games on their PC or smartphone whenever they want, *Medal corner*, which we launched in December, 2020, has experienced steady growth, and we released other popular titles, including *ColorCoLotta*. In addition, *Magical Halloween: Trick or Treat!*, the latest model in our *Magical Halloween* series, was the first in the industry to be compliant with new regulations. We received strong orders for the model and it has been released from the second quarter of the fiscal year ending March 31, 2022.

In terms of financial performance, total revenue for the six months ended September 30, 2021 in this segment amounted to ¥9,959 million (a year-on-year increase of 51.2%) and business profit for the six months ended September 30, 2021 amounted to ¥1,694 million (a year-on-year increase of 470.6%).

### **Gaming & Systems**

In the gaming market, as a result of the vaccine rollout in North America, some restrictions, including entrance restriction on casino facilities, were relaxed. In America, economic restrictions were almost completely lifted and the market is revitalizing. Although some countries and areas remain uncertain due to spread of COVID-19, the market is recovering gradually.

Amidst these circumstances, we expanded a slot machine, the *DIMENSION 49J*<sup>TM</sup>, featuring a "J" curve display dedicated to participation (revenue share business). In addition, we recognized revenue for the sale of slot machines including our core upright cabinet, the *DIMENSION 27*<sup>TM</sup> and the *DIMENSION 49*<sup>TM</sup>. In game content, *Fortune Mint* continued to maintain high performance in the North American market, resulting in increased sales of slot machines. In addition, we rolled out our video slot game *All Aboard*, which is train-themed game and has been well received in the Australian market, and *Ocean Spin*, which seamlessly flows bubbles into multiple machines. Moreover, the installation of historical horse racing machines based on historical live horse racing outcomes is proceeding. In the casino management system, the strong performance of the previous fiscal year was maintained, and the installments of *SYNKROS*<sup>®</sup> casino management system to casino facilities continues to progress. During the three months ended September 30, 2021, several installments of *SYNKROS*<sup>®</sup> contributed to revenue, including installment at Resorts World Las Vegas, a large-scale integrated resort facility which opened in Las Vegas.

In terms of financial performance, total revenue for the six months ended September 30, 2021 in this segment amounted to ¥12,274 million (a year-on-year increase of 71.7%) and business profit for the six months ended September 30, 2021 amounted to ¥1,827 million (business loss for the six months ended September 30, 2020 amounted to ¥1,236 million).

### **Sports**

In the sports market, due to the promotion of staying at home and working from home as a result of COVID-19, the importance of being healthy was reaffirmed for many people. As the societal demand for sports and exercise continues to grow, it will be necessary to provide new health services that allow people to engage in sports and exercise with peace of mind, in line with their new lifestyles.

Amidst these circumstances, with regard to our operation of sports clubs, we began offering “Keep-Your-Body-Warm Fitness” and “Gut Health Fitness” for “Karada Ikiiki Project” as a new proposal for healthy habits in a society dealing with COVID-19, with the aim of improving the original functions of people’s bodies, and maintaining and promoting their health. In addition to promoting the expansion of services for “Konami Sports Online Fitness” which allows people to participate from anywhere, including their homes, we opened “Pilates Mirror Futako Tamagawa,” (Setagaya-ku, Tokyo) women-only Pilates studios for small groups with ceiling-mounted mirrors, as a new kind of enterprise.

With regard to the operation of outsourced facilities, a form of business that expands our network without ownership of assets, we leveraged our previously developed operational and leadership expertise, as well as our accomplishments, to promote our businesses, and began contracted operations of sports facilities in new areas such as Toyonaka City, Osaka and Chuo-ku, Tokyo.

While this business has been affected by the spread of COVID-19, we have continued to work on reforming our cost structure by strategic withdrawing from unprofitable locations and other measures, and we closed 16 locations for the six months ended September 30, 2021.

In terms of financial performance, total revenue for the six months ended September 30, 2021 in this segment amounted to ¥19,942 million (a year-on-year increase of 31.9%) and business profit for the six months ended September 30, 2021 amounted to ¥550 million (business loss for the six months ended September 30, 2020 amounted to ¥2,993 million).

Please refer to “(1) Quarterly Condensed Consolidated Statement of Financial Position” and “(4) Quarterly Condensed Consolidated Statement of Cash Flows” in “2. Quarterly Condensed Consolidated Financial Statements and Notes” regarding the financial position and cash flows.

## (2) Outlook for the Fiscal Year Ending March 31, 2022

The impact of the spread of COVID-19 on our projected consolidated results for the fiscal year ending March 31, 2022 depends on factors such as the declaration of state-of-emergency and vaccine rollout, thus the outlook remains uncertain.

It is difficult to reasonably calculate the impact under the circumstances at present, therefore our projected consolidated results for the fiscal year ending March 31, 2022 have not been determined. We will carefully assess the projections and announce it promptly when we can disclose it.

### Digital Entertainment

With networked entertainment offerings rapidly becoming mainstream, now more than ever, many people have an increasing number of opportunities to enjoy playing games on any device. Amidst such a development, we will propose ways for people to play games which suit the characteristics of each device.

As a new future initiative, in response to customer demand for *Tokimeki Memorial* and *PAWAPUROKUN POCKET* series, we will release *Tokimeki Memorial Girl's Side 4th Heart* and *PAWAPUROKUN POCKET R* for the Nintendo Switch™ as the latest entries in each series. We also plan to launch *Yu-Gi-Oh! MASTER DUEL* on various platforms as *Yu-Gi-Oh!* digital content. With a collection of over 10,000 types of cards, we will convey the fun of the *Yu-Gi-Oh! TRADING CARD GAME* to many people through vivid card designs and text that support up to 4K resolution. At the same time, in order to make a new kind of card gaming fun, we are moving forward with the creation of *Yu-Gi-Oh! CROSS DUEL* digital content geared towards smartphones.

As an ongoing initiative, we will continue to take measures for mobile titles such as *PROFESSIONAL BASEBALL SPIRITS A (Ace)* and *Yu-Gi-Oh! DUEL LINKS* that are in line with our customers' needs, and strive for management that upholds our good reputation. We will also implement ongoing version upgrades for the computer and video game *eFootball™ 2022*. Going forward, we plan to enhance functionality and game elements to allow players to have even more fun, such as player development and competition using original teams.

In the realm of eSports, at "National Prefectural Competition eSports Championship 2021 MIE," we will decide the best players in Japan for the computer and video game series *eFootball Winning Eleven* and the mobile game *PROFESSIONAL BASEBALL SPIRITS A (Ace)*. In addition, for *PROFESSIONAL BASEBALL SPIRITS A (Ace)*, at the "eBASEBALL Prospi A (Ace) League," which we will hold jointly with the NPB, we plan to choose team representatives and kick off an e-pennant race. By holding these events, we will continue to disseminate the appeal of eSports to a broad audience, so that even more people will be able to experience eSports.

## **Amusement**

We will offer new ways to play, created through interpersonal communication via services such as the e-amusement service, which connects amusement facilities around the country by networking them together. In addition, as a service which allows players to enjoy arcade games at any time, we are working to enhance content for “KONAMI AMUSEMENT GAME STATION,” which makes it possible to play high-quality games streamed to a PC or smartphone through cloud gaming technology. In the realm of new machines for amusement facilities, we have plans to launch the video game *QuizKnock STADIUM*, as well as the medal games *GI-WorldClassic RISING* and *GRANDCROSS GOLD*, and we will strive to have them lead to the revitalization of the amusement market.

The number of people newly infected with COVID-19 has been declining thanks to the progress made with vaccinations and other factors, and the number of visitors to amusement facilities is trending towards recovery. In the third quarter and beyond, we will continue to monitor the infection situation and develop our business, with the aim of restoring profitability.

## **Gaming & Systems**

In our slot machine business, we are adding content to our latest *DIMENSION™* series cabinets in our lineup. In addition, we plan to start entering the market of Class II machines which are permitted to be used in casino facilities operated by Native American tribes. In game content, we will also focus on expanding our lineup, including introducing new titles such as *Bull Rush* in the Australian market. Through these measures, we will enhance KONAMI's presence in the market.

In our casino management system business, in addition to new installations of *SYNKROS®* to casino facilities in North America and Australia, we will introduce a variety of functionality which will endeavor to enhance and strengthen our product appeal including *Synk Vision*, which provides optimal information to players using the latest biometric authentication technology, *SYNK31™*, which is a money laundering prevention system, and *Quick Play*, which allows cashless enjoyment of casino facilities.

Although the spread of COVID-19 could impact on our future business activities, the market is recovering gradually due to vaccine rollout. We are working hard to strengthen our product appeal and increase further profitability to address the future demand recovery.

## **Sports**

In this business, we will strive to provide services that contribute to the promotion of physical and mental health by enabling as many people as possible to play sports and engage in exercise safely and securely.

For the operation of sports clubs, in addition to our initiatives in accordance with guidelines established by industry associations for preventing the spread of COVID-19, we are continuing to take measures to prevent the spread of infection based on our own standards, such as ozone sterilization, and working to manage our facilities to ensure that our customers can use them safely and securely. In the future, in addition to the services we offer at physical facilities, we will also enhance our online services and work to offer opportunities for our customers to join activities in ways suited to their individual lifestyles, so they can exercise safely and securely.

With regard to the operation of outsourced facilities, we were newly chosen by Yoshinogari Town (Saga Prefecture) to serve as the designated management responsible for the operation of the “Yoshinogari Town Cultural Gymnasium,” which will be put into service this fall.

As for our commissions to teach classes at schools in conjunction with local governments and other groups, as well as our community sports support projects which promote the revitalization of sports at the community level, they were chosen as demonstration projects for the "Future Classroom" program by the Ministry of Economy, Trade and Industry. In addition to attempting to resolve issues faced by schools and promote exercise among local residents, we will contribute to everyone’s health by providing services and creating an environment where more people can become familiar with sports.

With the “Undo Juku” exercise circle aimed at children, we will provide support for children’s healthy physical, mental and emotional growth, and we will work to enhance “Undo Juku” by providing services that are easier for children and their parents to use than ever before.

The number of people infected with COVID-19 has started to decrease, due to the progress made with vaccinations. However, if infections spread again, this may affect trends in the numbers of new members and quitting members at our facilities in the future. We will manage the operation of outsourced facilities in accordance with the needs of local governments and corporations and enhance product sales which leverage our customer base, among other activities, and promote the offering of products and services that are responsive to people’s perspectives on life and their values—which are shifting as new ways of living become established—to move forward with transforming our revenue structure.

Special Note:

This document contains “forward-looking statements,” or statements related to future events that are based on management’s assumptions and beliefs in light of information currently available. These statements are subject to various risks and uncertainties.

When relying on forward-looking statements to make investments, you should not place undue reliance on such forward-looking statements. Actual results may be affected by a number of important factors and may be materially different from those discussed in forward-looking statements. Such factors include, but are not limited to, changes in economic conditions affecting our operations, market trends and fluctuations in currency exchange rates, particularly with respect to the value of the Japanese yen, the U.S. dollar and the Euro.

## 2. Quarterly Condensed Consolidated Financial Statements and Notes

### (1) Quarterly Condensed Consolidated Statement of Financial Position

	Millions of Yen	
	As of March 31, 2021	As of September 30, 2021
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	¥202,430	¥222,410
Trade and other receivables	31,874	27,652
Inventories	10,391	8,424
Income tax receivables	12,470	800
Other current assets	9,516	12,776
<b>Total current assets</b>	<b>266,681</b>	<b>272,062</b>
<b>Non-current assets</b>		
Property, plant and equipment, net	106,025	108,523
Goodwill and intangible assets	36,813	43,473
Investment property	32,433	32,408
Investments accounted for using the equity method	3,128	2,909
Other investments	1,590	1,581
Other financial assets	15,491	15,392
Deferred tax assets	25,051	23,209
Other non-current assets	1,794	1,717
<b>Total non-current assets</b>	<b>222,325</b>	<b>229,212</b>
<b>Total assets</b>	<b>489,006</b>	<b>501,274</b>
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Bonds and borrowings	5,535	5,596
Other financial liabilities	12,570	10,755
Trade and other payables	32,827	27,762
Income tax payables	3,027	4,503
Other current liabilities	25,901	20,914
<b>Total current liabilities</b>	<b>79,860</b>	<b>69,530</b>
<b>Non-current liabilities</b>		
Bonds and borrowings	69,640	68,108
Other financial liabilities	26,227	27,541
Provisions	10,694	10,714
Deferred tax liabilities	1,332	1,572
Other non-current liabilities	1,711	1,678
<b>Total non-current liabilities</b>	<b>109,604</b>	<b>109,613</b>
<b>Total liabilities</b>	<b>189,464</b>	<b>179,143</b>
<b>Equity</b>		
Share capital	47,399	47,399
Share premium	74,399	75,001
Treasury shares	(27,843)	(26,866)
Other components of equity	2,173	2,351
Retained earnings	202,599	223,430
<b>Total equity attributable to owners of the parent</b>	<b>298,727</b>	<b>321,315</b>
Non-controlling interests	815	816
<b>Total equity</b>	<b>299,542</b>	<b>322,131</b>
<b>Total liabilities and equity</b>	<b>¥489,006</b>	<b>¥501,274</b>

## (2) Quarterly Condensed Consolidated Statements of Profit or Loss and Comprehensive Income

### Quarterly Condensed Consolidated Statement of Profit or Loss

	Millions of Yen	
	Six months ended September 30, 2020	Six months ended September 30, 2021
Revenue		
Product sales revenue	¥27,008	¥39,562
Service and other revenue	89,064	99,924
Total revenue	116,072	139,486
Cost of revenue		
Cost of product sales revenue	(13,965)	(18,471)
Cost of service and other revenue	(54,707)	(57,256)
Total cost of revenue	(68,672)	(75,727)
Gross profit	47,400	63,759
Selling, general and administrative expenses	(21,673)	(25,120)
Other income and other expenses, net	(4,359)	471
Operating profit	21,368	39,110
Finance income	65	149
Finance costs	(821)	(423)
Loss from investments accounted for using the equity method	(397)	(163)
Profit before income taxes	20,215	38,673
Income taxes	(6,427)	(11,114)
Profit for the period	13,788	27,559
Profit attributable to:		
Owners of the parent	13,791	27,558
Non-controlling interests	¥(3)	¥1

	Yen	
	Six months ended September 30, 2020	Six months ended September 30, 2021
Earnings per share (attributable to owners of the parent)		
Basic	¥103.52	¥206.79
Diluted	¥101.90	¥203.47

## Quarterly Condensed Consolidated Statement of Comprehensive Income

	Millions of Yen	
	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit for the period	¥13,788	¥27,559
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Net change in fair value of equity financial assets measured at fair value through other comprehensive income	18	(9)
Total items that will not be reclassified to profit or loss	18	(9)
Items that may be reclassified to profit or loss:		
Exchange differences on foreign operations	(356)	187
Total items that may be reclassified to profit or loss	(356)	187
Total other comprehensive income	(338)	178
<b>Total comprehensive income for the period</b>	<b>13,450</b>	<b>27,737</b>
Comprehensive income attributable to:		
Owners of the parent	13,453	27,736
Non-controlling interests	¥(3)	¥1

### (3) Quarterly Condensed Consolidated Statement of Changes in Equity

Millions of Yen

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Share capital	Share premium	Treasury shares	Other components of equity	Retained earnings	Total		
<b>Balance at April 1, 2020</b>	¥47,399	¥74,399	¥(27,836)	¥(89)	¥174,268	¥268,141	¥802	¥268,943
Profit for the period					13,791	13,791	(3)	13,788
Other comprehensive income				(338)		(338)		(338)
Total comprehensive income for the period	-	-	-	(338)	13,791	13,453	(3)	13,450
Purchase of treasury shares			(0)			(0)		(0)
Disposal of treasury shares		0	0			0		0
Dividends					(933)	(933)		(933)
Total transactions with the owners	-	0	(0)	-	(933)	(933)	-	(933)
<b>Balance at September 30, 2020</b>	¥47,399	¥74,399	¥(27,836)	¥(427)	¥187,126	¥280,661	¥799	¥281,460

Millions of Yen

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Share capital	Share premium	Treasury shares	Other components of equity	Retained earnings	Total		
<b>Balance at April 1, 2021</b>	¥47,399	¥74,399	¥(27,843)	¥2,173	¥202,599	¥298,727	¥815	¥299,542
Profit for the period					27,558	27,558	1	27,559
Other comprehensive income				178		178		178
Total comprehensive income for the period	-	-	-	178	27,558	27,736	1	27,737
Purchase of treasury shares			(6)			(6)		(6)
Disposal of treasury shares		1	0			1		1
Dividends					(6,727)	(6,727)		(6,727)
Conversion of convertible bond-type bonds with subscription rights to shares		601	983			1,584		1,584
Total transactions with the owners	-	602	977	-	(6,727)	(5,148)	-	(5,148)
<b>Balance at September 30, 2021</b>	¥47,399	¥75,001	¥(26,866)	¥2,351	¥223,430	¥321,315	¥816	¥322,131

#### (4) Quarterly Condensed Consolidated Statement of Cash Flows

	Millions of Yen	
	Six months ended September 30, 2020	Six months ended September 30, 2021
<b><i>Operating activities</i></b>		
Profit for the period	¥13,788	¥27,559
Depreciation and amortization	9,407	8,216
Impairment losses	34	128
Interest and dividends income	(45)	(38)
Interest expense	444	410
Loss on sale or disposal of property, plant and equipment	30	13
Loss from investments accounted for using the equity method	397	163
Income taxes	6,427	11,114
Decrease in trade and other receivables	1,349	4,332
(Increase) decrease in inventories	(503)	1,986
Decrease in trade and other payables	(3,580)	(6,315)
Increase in prepaid expense	(1,767)	(3,000)
Increase (decrease) in contract liabilities	2,965	(4,631)
Other, net	2,102	(1,799)
Interest and dividends received	59	38
Interest paid	(370)	(363)
Income taxes (paid) refund	(7,683)	5,718
<b><i>Net cash provided by operating activities</i></b>	<b>23,054</b>	<b>43,531</b>
<b><i>Investing activities</i></b>		
Capital expenditures	(9,963)	(10,829)
Payments for lease deposits	(220)	(569)
Proceeds from refunds of lease deposits	502	1,211
Payments for asset retirement obligations	(181)	(1,317)
Payments into time deposits	-	(574)
Proceeds from withdrawal of time deposits	586	403
Other, net	183	102
<b><i>Net cash used in investing activities</i></b>	<b>(9,093)</b>	<b>(11,573)</b>
<b><i>Financing activities</i></b>		
Proceeds from short-term (more than 3 months) borrowings	5,364	5,496
Repayments of short-term (more than 3 months) borrowings	(28,216)	(5,496)
Proceeds from issuance of bonds	60,000	-
Principal payments of lease liabilities	(6,021)	(5,404)
Dividends paid	(935)	(6,720)
Other, net	(300)	(5)
<b><i>Net cash provided by (used in) financing activities</i></b>	<b>29,892</b>	<b>(12,129)</b>
Effect of exchange rate changes on cash and cash equivalents	(78)	151
Net increase in cash and cash equivalents	43,775	19,980
Cash and cash equivalents at the beginning of the period	131,432	202,430
<b><i>Cash and cash equivalents at the end of the period</i></b>	<b>¥175,207</b>	<b>¥222,410</b>

## (5) Going Concern Assumption

None

## (6) Segment Information

### (i) Operating Segment Information

For the six months ended September 30, 2020

	Reportable segments					Intersegment eliminations	Consolidated
	Digital Entertainment	Amusement	Gaming & Systems	Sports	Total		
Revenue							
External customers	¥87,947	¥6,007	¥7,150	¥14,968	¥116,072	-	¥116,072
Intersegment	325	580	-	154	1,059	¥(1,059)	-
Total	88,272	6,587	7,150	15,122	117,131	(1,059)	116,072
Business profit	¥31,048	¥297	¥(1,236)	¥(2,993)	¥27,116	¥(1,389)	25,727
Other income and other expenses, net	-	-	-	-	-	-	(4,359)
Operating profit	-	-	-	-	-	-	21,368
Finance income and finance costs, net	-	-	-	-	-	-	(756)
Loss from investments accounted for using the equity method	-	-	-	-	-	-	(397)
Profit before income taxes	-	-	-	-	-	-	¥20,215

For the six months ended September 30, 2021

Millions of Yen

	Reportable segments					Intersegment eliminations	Consolidated
	Digital Entertainment	Amusement	Gaming & Systems	Sports	Total		
Revenue							
External customers	¥98,299	¥9,125	¥12,274	¥19,788	¥139,486	-	¥139,486
Intersegment	333	834	-	154	1,321	¥(1,321)	-
Total	98,632	9,959	12,274	19,942	140,807	(1,321)	139,486
Business profit	¥35,848	¥1,694	¥1,827	¥550	¥39,919	¥(1,280)	38,639
Other income and other expenses, net	-	-	-	-	-	-	471
Operating profit	-	-	-	-	-	-	39,110
Finance income and finance costs, net	-	-	-	-	-	-	(274)
Loss from investments accounted for using the equity method	-	-	-	-	-	-	(163)
Profit before income taxes	-	-	-	-	-	-	¥38,673

(Notes)

1. Konami Group operates on a worldwide basis principally with the following four business segments:

a) Digital Entertainment:	Production, manufacture and sale of digital content and related products including mobile games, card games and computer and video games.
b) Amusement:	Production, manufacture and sale of amusement machines.
c) Gaming & Systems:	Production, manufacture, sale and service of gaming machines and casino management systems for overseas markets.
d) Sports:	Operation of fitness activities and sports classes, including swimming, gymnastics, dance, soccer, tennis, and golf, and production and sale of sports related goods.

2. Konami Group defines business profit associated with each segment as segment profit. Segment profit is determined by deducting “cost of revenue” and “selling, general and administrative expenses” from “revenue.” This does not include corporate expenses, finance income and finance costs, and certain non-regular expenses associated with each segment such as impairment losses on property, plant and equipment, goodwill and intangible assets.
3. Intersegment eliminations primarily consist of administrative expenses not directly associated with specific segments and eliminations of intercompany sales.
4. Other income and other expenses, net include impairment losses on property, plant and equipment and goodwill and intangible assets and profit or loss of sales and disposal on property, plant and equipment.

## (ii) Geographic Information

Revenue from external customers

	Millions of Yen	
	Six months ended September 30, 2020	Six months ended September 30, 2021
<b>Revenue:</b>		
Japan	¥93,476	¥109,220
United States	12,913	18,203
Europe	6,538	6,465
Asia/Oceania	3,145	5,598
Consolidated	¥116,072	¥139,486

(Note)

For the purpose of presenting operations in the geographic areas above, Konami Group attributes revenues from external customers to individual countries in each area based on where Konami Group sold products or rendered services.

## (7) Note to consolidated statement of profit or loss

During the three months ended June 30, 2020 and 2021, COVID-19-related loss of ¥5,723 million and ¥862 million were recognized and included in the line item “other income and other expenses, net,” respectively. The loss, mainly in sports segment, contains fixed costs of sports clubs including personnel expenses, depreciation expenses and rent expenses, which were incurred during the temporal closure period of sports clubs all over Japan in line with state-of-emergency declaration from government and business suspension request from local governments to avoid the spread of COVID-19.

During the three months ended September 30, 2020 and 2021, we received employment adjustment subsidies from the government, which is a leave allowance related to COVID-19. In accordance with IAS 20 “Accounting for Government Grants and Disclosure of Government Assistance,” the subsidies of ¥1,075 million and ¥206

million were deducted from COVID-19 related loss included in the line item “other income and other expenses, net,” respectively, which were related to fixed costs incurred during the temporal closure period in line with state-of-emergency declaration from government and business suspension request from local governments during the three months ended June 30, 2020 and 2021.