

**Consolidated Financial Results  
for the Three Months Ended June 30, 2022  
(Prepared in Accordance with IFRS)**

August 4, 2022

**KONAMI GROUP 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: -

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

**1. Consolidated Financial Results for the Three Months Ended June 30, 2022**
**(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
Three months ended June 30, 2022	71,905	14,099	14,040	15,852	11,432	11,432
% change from previous year	5.2%	(30.5)%	(27.8)%	(17.1)%	(16.3)%	(16.3)%
Three months ended June 30, 2021	68,326	20,278	19,437	19,115	13,658	13,659
% change from previous year	29.2%	64.2%	187.0%	204.2%	225.7%	225.7%

Total comprehensive income for the period: Three months ended June 30, 2022: ¥16,724 million; 22.9%

Three months ended June 30, 2021: ¥13,608 million; 216.2%

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)
Three months ended June 30, 2022	85.41	84.38
Three months ended June 30, 2021	102.54	100.86

**(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
June 30, 2022	527,733	356,138	356,123	67.5%
March 31, 2022	528,613	348,076	348,061	65.8%

## 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, 2022	-	36.50	-	87.00	123.50
Year ending March 31, 2023	-				
Year ending March 31, 2023 (Forecast)		62.00	-	62.00	124.00

Note) Recently announced change in dividend forecasts for the fiscal year ending March 31, 2023 during the three months ended June 30, 2022: No

## 3. Consolidated Earnings Forecast for the Year Ending March 31, 2023

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

	Revenue	Business profit	Operating profit	Profit before income taxes	Profit attributable to owners of the parent	Basic earnings per share (attributable to owners of the parent) (yen)
Year ending March 31, 2023	320,000	81,000	76,500	76,500	55,000	411.74
% change from previous year	6.8%	0.9%	2.8%	1.8%	0.4%	

Note) Recently announced change in earnings forecasts for the fiscal year ending March 31, 2023 during the three months ended June 30, 2022: No

### 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**

- Changes in accounting policies required by IFRS: No
- Other changes: No
- Changes in accounting estimate: No

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

- Number of shares issued: (Treasury shares included)
  - As of June 30, 2022 143,500,000 shares
  - As of March 31, 2022 143,500,000 shares
- Number of treasury shares:
  - As of June 30, 2022 9,221,145 shares
  - As of March 31, 2022 9,919,591 shares
- Average number of shares outstanding:
  - Three months ended June 30, 2022 133,844,714 shares
  - Three months ended June 30, 2021 133,213,056 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 11 for further information regarding our business forecasts.

KONAMI GROUP CORPORATION (the "Company") disclosed the supplemental data for the consolidated financial statements via the Company's website on August 4, 2022.

# 1. Business Performance

## (1) Analysis of Business Performance

### (1) Business Overview

For the three months ended June 30, 2022, consumptions and investments have been expanding and the situation is on track to recovery by factors, such as progress of normalized socioeconomic activities while taking measures to prevent the infection of COVID-19. On the other hand, global supply chain disruption and rising energy prices and raw material costs caused by the affairs in Ukraine are concerned to impact on recovery trend.

Amidst these circumstances, in terms of the business results of Konami Group for the three months ended June 30, 2022, we have launched new titles of core contents into the market successively and thus revenues for the first quarter have reached a record high on the quarterly basis. Meanwhile, in addition to amortization of product costs upon new title releases and promotion costs incurred, rising raw material costs have impacted on our profit performance.

In terms of the consolidated results for the three months ended June 30, 2022, total revenue amounted to ¥71,905 million (a year-on-year increase of 5.2%), business profit was ¥14,099 million (a year-on-year decrease of 30.5%), operating profit was ¥14,040 million (a year-on-year decrease of 27.8%), profit before income taxes was ¥15,852 million (a year-on-year decrease of 17.1%), and profit attributable to owners of the parent was ¥11,432 million (a year-on-year decrease of 16.3%).

## (2) Performance by Business Segment

Summary of total revenue by business segment:

	Millions of Yen, except percentages		
	Three months ended June 30, 2021	Three months ended June 30, 2022	% change
<b>Total revenue:</b>			
Digital Entertainment	¥49,859	¥50,800	1.9
Amusement	3,551	2,930	(17.5)
Gaming & Systems	6,296	7,695	22.2
Sports	9,341	10,983	17.6
Intersegment eliminations	(721)	(503)	-
Total revenue	¥68,326	¥71,905	5.2

### 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 spread of next generation communication systems. The ways in which content is enjoyed is becoming increasingly diversified, such as increased attention and growing fan bases for the eSports space, which treat video games as sports competitions, and gameplay videos. Furthermore, there is growing recognition for the metaverse, which is a virtual space on the internet. In particular, the high affinity between the metaverse and video games is attracting strong attention.

Amidst these circumstances, as a new initiative for our business, we started distribution of the mobile version of *eFootball™ 2022* as the next step following the computer and video game space. With the goal of creating a mobile version of the next-generation soccer game, we have reviewed gameplay, achieved realistic graphics, and pursued competitiveness. These initiatives have been well received by customers throughout the world. In the computer and video game space, we launched *eBASEBALL PAWAFURU PUROYAKYU 2022* as the latest title in the *PAWAFURU PUROYAKYU* series for the first time in two years, and initial response has been positive.

As an ongoing initiative, our collaboration with legend Ichiro Suzuki, who played in the major leagues in Japan and America, has created a great deal of attention for *PROFESSIONAL BASEBALL SPIRITS A (Ace)*. Additionally, we started distribution of *Yu-Gi-Oh! MASTER DUEL* in January, and the title became a hot topic. Afterwards, we maintained strong interest in the title by adding new cards for the first time after its release and holding continuous events. In card games, *Yu-Gi-Oh! TRADING CARD GAME* has continued to perform well from the previous fiscal year, and sales grew on a global scale. With the addition of customers who have been newly brought in by *Yu-Gi-Oh! MASTER DUEL* and customers who have begun to play again, there continues to be a high level of excitement for *Yu-Gi-Oh!* content.

In the eSports space, we are holding the official eSports tournament “eFootball™ Championship 2022” for *eFootball™ 2022*. Following the successful “eFootball™ Championship Pro 2022” in which professional eSports athletes participate, we have also started to hold qualifiers for the “eFootball™ Championship Open 2022,” which is open to participation from all players. In this way, we are appealing the enjoyment of the eSports space to many customers. For *Yu-Gi-Oh! DUEL LINKS*, we held qualifiers for “KC Grand Tournament 2022,” a large-scale online tournament that was also held last year.

Since amortization of product costs and promotion costs have incurred by launching new titles of core contents successively from 2022 onwards, business profit in this segment for the three months ended June 30, 2022 decreased.

In terms of financial performance, total revenue for the three months ended June 30, 2022 in this segment amounted to ¥50,800 million (a year-on-year increase of 1.9%) and business profit for the three months ended June 30, 2022 amounted to ¥13,361 million (a year-on-year decrease of 30.3%).

## **Amusement**

In the amusement market, due to changes in people's behaviors and awareness resulting from the COVID-19 pandemic, the range of needs is expanding, such as demand for ways to play at home in addition to amusement facilities.

Amidst these circumstances, in our business of video games targeted at amusement facilities, our online competitive mahjong game *MAH-JONG FIGHT CLUB* series has celebrated its 20th anniversary. We also started operation of the latest edition *MAH-JONG FIGHT CLUB Extreme*, which features the new record evaluation system “Hakke index” and a new ranking system. For our “KONAMI AMUSEMENT GAME STATION” service which allows players to enjoy arcade games at any time on their computer or smartphone, we have increased the number of users by implementing a variety of measures, including our 2022 Promotion Supporting New Spring Life that features free gifts, the addition of new functions and songs, and other perks. This year, we held the second “BEMANI PRO LEAGUE” professional league that combines music and the eSports space. In addition to last year’s competitive title *beatmania IIDX*, we added the new competitive titles *DanceDanceRevolution* and *SOUND VOLTEX* at “BEMANI PRO LEAGUE.” Two new companies joined the league as team owners, increasing the size of the league to a total of eight companies.

For the three months ended June 30, 2022, revenues and business profit in this segment decreased due to difference in timing of product launch.

In terms of financial performance, total revenue for the three months ended June 30, 2022 in this segment amounted to ¥2,930 million (a year-on-year decrease of

17.5%) and business profit for the three months ended June 30, 2022 amounted to ¥106 million (a year-on-year decrease of 66.2%).

### **Gaming & Systems**

In the gaming market, the operation in casino facilities in North America and Australia returned to its pre-COVID-19 level and the situation brought back in the revitalized markets. Although other markets in some countries and regions are still affected by the COVID-19 pandemic, the market as a whole is on the road to recovery. On the other hand, global supply chain disruptions are resulting to issues, such as rising parts cost and delivery delays of parts and materials.

Amidst these circumstances, slot machines including our core cabinet, the *DIMENSION 49™*, have been sold well and continues to contribute business revenues. In addition, the *DIMENSION 49J™*, which was selected for Best Slot Product at the 20<sup>th</sup> Annual Gaming & Technology Awards and is dedicated to participation (revenue share business), has been well received in the market. In gaming content, *Fortune Mint™* continued to maintain high operation in the North American market, resulting in increased sales of slot machines. The *All Aboard™* series has also maintained high operation. Moreover, in order to meet diverse needs, we released *All Aboard Gold Express™* so that users can enjoy playing with a higher bet amount compared to the regular version. In New York State, we have entered the market of Video Lottery Terminals (VLT) for the first time.

In the casino management system, we introduced a variety of functionality which will enhance and strengthen our product appeal including *Money Klip™* for cashless casinos, maintaining the strong performance of the previous fiscal year.

For the three months ended June 30, 2022, business profit in this segment decreased due to rising material costs worldwide.

In terms of financial performance, total revenue for the three months ended June 30, 2022 in this segment amounted to ¥7,695 million (a year-on-year increase of 22.2%) and business profit for the three months ended June 30, 2022 amounted to ¥823 million (a year-on-year decrease of 10.1%).

### **Sports**

In the sports market, behavioral restrictions are being relaxed so that people can continue their daily lives and economic/social activities while preventing the spread of COVID-19. As a result, demand for sports and health promotion is returning.

Amidst these circumstances, in our operation of sports clubs, we worked to provide safe and secure opportunities for exercise so that customers can participate

according to their own lifestyle, including enhancement of online services in addition to providing services at facilities.

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 Yokohama City, Kanagawa, Hadano City, Kanagawa, Kyoto City, Kyoto and Fukuoka City, Fukuoka.

In response to growing school needs for outsourcing of school swimming classes, we have started swimming instruction services for children at all eight elementary schools in Shiki City, Saitama, which is our first time providing the services in the prefecture.

For the “Undo Juku” exercise circle aimed at children, at the swimming school, we are providing “Undo Juku Digital Note,” a new digital service that improves the effect of practice through synergy between “Smart Swimming Lesson System,” which uses images and AI, and the coaching techniques of Konami Sports Club instructors.

In terms of financial performance, total revenue for the three months ended June 30, 2022 in this segment amounted to ¥10,983 million (a year-on-year increase of 17.6%) and business profit for the three months ended June 30, 2022 amounted to ¥448 million (a year-on-year decrease of 24.4%).

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, 2023

### 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 this situation, in addition to gameplay based on the features of the device, we are promoting cross-platform development so that users can enjoy content beyond the boundaries of various devices. Additionally, as the ways of enjoying content continue to diversify, we will promote global efforts so that users can enjoy a wide range of game genres in various situations such as fan events and eSports competitions.

As a new initiative going forward, we have started test distribution in some countries and pre-registration in Japan for the global distribution of the new title *Yu-Gi-Oh! CROSS DUEL*. By proposing new card games, we will approach not only existing *Yu-Gi-Oh!* fans but also new customers throughout the world. Moreover, we are planning to release the classic game collection *Teenage Mutant Ninja Turtles: The Cowabunga Collection* for the comic series that is very popular overseas. We will also continue to produce the latest content for *SUPER BOMBERMAN R 2* in the *BOMBERMAN* series.

As an ongoing initiative, we will continue to take attractive measures for mobile titles such as *PROFESSIONAL BASEBALL SPIRITS A (Ace)* and *Yu-Gi-Oh! DUEL LINKS*, and strive for management that upholds our good reputation. With regard to *Yu-Gi-Oh! MASTER DUEL*, we will further focus on enhancing the content by holding events and competitions under a variety of regulations. Additionally, in 2022, we forecast that attention and enthusiasm for soccer will increase throughout the world as we approach winter. In response, we will gradually add new functions and modes to *eFootball™ 2022* and will place greater focus on management so that the content can be enjoyed by even more customers throughout the world.

In the eSports space, we will hold the “KC Grand Tournament 2022” finals for *Yu-Gi-Oh! DUEL LINKS* in order to determine the world’s top player. Also, in the 2022 season of the professional baseball e-Sports league “eBASEBALL Prospi A (Ace) League,” which is jointly held with the Nippon Professional Baseball Organization (NPB), we will hold hotly contested games to determine which players will represent the teams. Going forward, we will work on activities to disseminate the appeal of eSports with the aim of expanding the eSports fan base even more.

## **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 on PC and smartphone.

For new amusement machine, we plan to release the video game *CHASE CHASE JOKERS* in which players seek victory with their friends in a 3v3 team battle of tag. We also plan to release the popular arcade game title *BOMBERGIRL*, which is beloved for its highly unique female characters, as the first edition of the pachinko slot machine 6.5. Through providing new user experiences, we will deliver the amusement and fun of KONAMI titles, which are enjoyable for participants and spectators alike, to an even greater number of customers, and we continue to have them lead to the revitalization of the amusement market.

## **Gaming & Systems**

In our slot machine business, against the background of high operation in the market, many orders for various cabinets have been received and the shipments are scheduled in the second quarter and beyond. 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 our casino management system business, in addition to new installations of *SYNKROS*<sup>®</sup> to casino facilities in North America, we will continue to develop and sell products tailored to customers’ needs, including the expansion of *Synkbox Lite*<sup>™</sup>, low-priced hardware that is equipped with only basic functions and that is intended for smaller casino facilities and cruise ships.

## **Sports**

For the operation of sports clubs, as behavioral restrictions are being relaxed so that daily life and economic/social activities can be continued, 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 and working to manage our facilities to ensure that our customers can use them safely and securely.

As a new business style of facility, we will open “Pilates Mirror Kichijoji” (Musashino City, Tokyo) in August 2022 as our second small-group Pilates studio for women with mirrors installed on the ceiling. The first studio, which opened in Futako tamagawa (Setagaya-ku, Tokyo) last year, has been well received by many women. We plan to increase the number of studios so that more women can experience the “Pilates Mirror.”

With regard to the operation of outsourced facilities, we will start the new outsourced operation of sports facilities in Toyohashi City, Aichi from October 2022.

In the outsourced school swimming classes, we will expand the number of target schools in order to solve various problems faced by schools, improve children's swimming ability and physical strength, and enhance the class environment.

For the “Undo Juku” exercise circle aimed at children, we will support the new challenges of children by expanding facilities providing the swimming school and facilities providing the new digital service “Undo Juku Digital Note.”

We will continue to provide products and services that support a sustainable society.

Projected consolidated results for the fiscal year ending March 31, 2023 are as follows: total revenue of ¥320,000 million; business profit of ¥81,000 million; operating profit of ¥76,500 million; profit before income tax of ¥76,500 million; and profit attributable to owners of the parent of ¥55,000 million. Thus, there is no change from the forecast figures released in the “Consolidated Financial Results for the Year Ended March 31, 2022” dated May 12, 2022.

#### 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, 2022	As of June 30, 2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	¥250,711	¥229,348
Trade and other receivables	29,054	25,314
Inventories	8,957	11,493
Income tax receivables	1,443	3,713
Other current assets	9,461	13,116
<b>Total current assets</b>	<b>299,626</b>	<b>282,984</b>
<b>Non-current assets</b>		
Property, plant and equipment, net	138,869	151,416
Goodwill and intangible assets	45,392	48,529
Investments accounted for using the equity method	3,159	3,253
Other investments	1,231	1,224
Other financial assets	15,302	15,383
Deferred tax assets	23,671	23,406
Other non-current assets	1,363	1,538
<b>Total non-current assets</b>	<b>228,987</b>	<b>244,749</b>
<b>Total assets</b>	<b>528,613</b>	<b>527,733</b>
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Bonds and borrowings	8,377	5,426
Other financial liabilities	9,106	8,824
Trade and other payables	33,486	30,943
Income tax payables	12,418	1,298
Other current liabilities	19,200	27,906
<b>Total current liabilities</b>	<b>82,587</b>	<b>74,397</b>
<b>Non-current liabilities</b>		
Bonds and borrowings	59,775	59,786
Other financial liabilities	25,263	24,358
Provisions	10,450	10,418
Deferred tax liabilities	770	857
Other non-current liabilities	1,692	1,779
<b>Total non-current liabilities</b>	<b>97,950</b>	<b>97,198</b>
<b>Total liabilities</b>	<b>180,537</b>	<b>171,595</b>
<b>Equity</b>		
Share capital	47,399	47,399
Share premium	75,027	76,126
Treasury shares	(26,868)	(25,008)
Other components of equity	6,701	11,993
Retained earnings	245,802	245,613
<b>Total equity attributable to owners of the parent</b>	<b>348,061</b>	<b>356,123</b>
Non-controlling interests	15	15
<b>Total equity</b>	<b>348,076</b>	<b>356,138</b>
<b>Total liabilities and equity</b>	<b>¥528,613</b>	<b>¥527,733</b>

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

### Quarterly Condensed Consolidated Statement of Profit or Loss

	Millions of Yen	
	Three months ended June 30, 2021	Three months ended June 30, 2022
Revenue		
Product sales revenue	¥19,004	¥21,885
Service and other revenue	49,322	50,020
Total revenue	68,326	71,905
Cost of revenue		
Cost of product sales revenue	(8,386)	(10,802)
Cost of service and other revenue	(27,589)	(32,331)
Total cost of revenue	(35,975)	(43,133)
Gross profit	32,351	28,772
Selling, general and administrative expenses	(12,073)	(14,673)
Other income and other expenses, net	(841)	(59)
Operating profit	19,437	14,040
Finance income	34	1,853
Finance costs	(211)	(192)
(Loss) Profit from investments accounted for using the equity method	(145)	151
Profit before income taxes	19,115	15,852
Income taxes	(5,457)	(4,420)
Profit for the period	13,658	11,432
Profit attributable to:		
Owners of the parent	13,659	11,432
Non-controlling interests	¥(1)	¥0

	Yen	
	Three months ended June 30, 2021	Three months ended June 30, 2022
Earnings per share (attributable to owners of the parent)		
Basic	¥102.54	¥85.41
Diluted	¥100.86	¥84.38

## Quarterly Condensed Consolidated Statement of Comprehensive Income

	Millions of Yen	
	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit for the period	¥13,658	¥11,432
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	(19)	(5)
Total items that will not be reclassified to profit or loss	(19)	(5)
Items that may be reclassified to profit or loss:		
Exchange differences on foreign operations	(31)	5,297
Total items that may be reclassified to profit or loss	(31)	5,297
Total other comprehensive income	(50)	5,292
<b>Total comprehensive income for the period</b>	<b>13,608</b>	<b>16,724</b>
Comprehensive income attributable to:		
Owners of the parent	13,609	16,724
Non-controlling interests	¥(1)	¥0

### (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, 2021</b>	¥47,399	¥74,399	¥(27,843)	¥2,173	¥202,599	¥298,727	¥815	¥299,542
Profit for the period					13,659	13,659	(1)	13,658
Other comprehensive income				(50)		(50)		(50)
Total comprehensive income for the period	-	-	-	(50)	13,659	13,609	(1)	13,608
Purchase of treasury shares			(3)			(3)		(3)
Disposal of treasury shares		1	0			1		1
Dividends					(6,727)	(6,727)		(6,727)
Total transactions with the owners	-	1	(3)	-	(6,727)	(6,729)	-	(6,729)
<b>Balance at June 30, 2021</b>	¥47,399	¥74,400	¥(27,846)	¥2,123	¥209,531	¥305,607	¥814	¥306,421

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, 2022</b>	¥47,399	¥75,027	¥(26,868)	¥6,701	¥245,802	¥348,061	¥15	¥348,076
Profit for the period					11,432	11,432	0	11,432
Other comprehensive income				5,292		5,292		5,292
Total comprehensive income for the period	-	-	-	5,292	11,432	16,724	0	16,724
Purchase of treasury shares			(5)			(5)		(5)
Dividends					(11,621)	(11,621)		(11,621)
Conversion of convertible bond-type bonds with subscription rights to shares		1,099	1,865			2,964		2,964
Total transactions with the owners	-	1,099	1,860	-	(11,621)	(8,662)	-	(8,662)
<b>Balance at June 30, 2022</b>	¥47,399	¥76,126	¥(25,008)	¥11,993	¥245,613	¥356,123	¥15	¥356,138

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

	Millions of Yen	
	Three months ended June 30, 2021	Three months ended June 30, 2022
<b><i>Operating activities</i></b>		
Profit for the period	¥13,658	¥11,432
Depreciation and amortization	3,666	5,738
Impairment losses	128	59
Interest and dividends income	(29)	(51)
Interest expense	205	185
Loss (Profit) on sale or disposal of property, plant and equipment	7	(0)
Loss (Profit) from investments accounted for using the equity method	145	(151)
Income taxes	5,457	4,420
Decrease in trade and other receivables	5,443	5,343
Decrease (Increase) in inventories	1,863	(1,980)
Decrease in trade and other payables	(7,114)	(4,290)
Increase in prepaid expense	(4,089)	(3,349)
(Decrease) increase in contract liabilities	(4,473)	1,233
Other, net	460	2,228
Interest and dividends received	29	54
Interest paid	(125)	(111)
Income taxes paid	(3,094)	(13,047)
<b><i>Net cash provided by operating activities</i></b>	<b>12,137</b>	<b>7,713</b>
<b><i>Investing activities</i></b>		
Capital expenditures	(5,535)	(19,193)
Payments for lease deposits	(537)	(129)
Proceeds from refunds of lease deposits	460	751
Payments for asset retirement obligations	(159)	(1)
Payments into time deposits	(574)	-
Other, net	103	1
<b><i>Net cash used in investing activities</i></b>	<b>(6,242)</b>	<b>(18,571)</b>
<b><i>Financing activities</i></b>		
Proceeds from short-term (more than 3 months) borrowings	2,185	-
Repayments of short-term (more than 3 months) borrowings	(2,185)	-
Principal payments of lease liabilities	(2,159)	(1,962)
Dividends paid	(6,689)	(11,563)
Other, net	(3)	(6)
<b><i>Net cash used in financing activities</i></b>	<b>(8,851)</b>	<b>(13,531)</b>
Effect of exchange rate changes on cash and cash equivalents	42	3,026
Net decrease in cash and cash equivalents	(2,914)	(21,363)
Cash and cash equivalents at the beginning of the period	202,430	250,711
<b><i>Cash and cash equivalents at the end of the period</i></b>	<b>¥199,516</b>	<b>¥229,348</b>

## (5) Going Concern Assumption

None

## (6) Segment Information

### (i) Operating Segment Information

For the three months ended June 30, 2021

	Reportable segments					Intersegment eliminations	Consolidated
	Digital Entertainment	Amusement	Gaming & Systems	Sports	Total		
Revenue							
External customers	¥49,681	¥3,086	¥6,296	¥9,263	¥68,326	-	¥68,326
Intersegment	178	465	-	78	721	¥(721)	-
Total	49,859	3,551	6,296	9,341	69,047	(721)	68,326
Business profit	¥19,161	¥315	¥916	¥592	¥20,984	¥(706)	20,278
Other income and other expenses, net	-	-	-	-	-	-	(841)
Operating profit	-	-	-	-	-	-	19,437
Finance income and finance costs, net	-	-	-	-	-	-	(177)
Loss from investments accounted for using the equity method	-	-	-	-	-	-	(145)
Profit before income taxes	-	-	-	-	-	-	¥19,115

For the three months ended June 30, 2022

Millions of Yen

	Reportable segments					Intersegment eliminations	Consolidated
	Digital Entertainment	Amusement	Gaming & Systems	Sports	Total		
Revenue							
External customers	¥50,643	¥2,588	¥7,695	¥10,979	¥71,905	-	¥71,905
Intersegment	157	342	-	4	503	¥(503)	-
Total	50,800	2,930	7,695	10,983	72,408	(503)	71,905
Business profit	¥13,361	¥106	¥823	¥448	¥14,738	¥(639)	14,099
Other income and other expenses, net	-	-	-	-	-	-	(59)
Operating profit	-	-	-	-	-	-	14,040
Finance income and finance costs, net	-	-	-	-	-	-	1,661
Profit from investments accounted for using the equity method	-	-	-	-	-	-	151
Profit before income taxes	-	-	-	-	-	-	¥15,852

(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	
	Three months ended June 30, 2021	Three months ended June 30, 2022
<b>Revenue:</b>		
Japan	¥52,534	¥48,774
United States	9,456	14,467
Europe	3,370	4,761
Asia/Oceania	2,966	3,903
Consolidated	¥68,326	¥71,905

(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.