



Consolidated Financial Results
for the Nine Months Ended December 31, 2024
(Prepared in Accordance with IFRS)

January 31, 2025

KONAMI GROUP CORPORATION

Address: 11-1, Ginza 1-chome, Chuo-ku, Tokyo, Japan
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
Contact: Junichi Motobayashi, Corporate Officer, General Manager, Finance Division
(Phone: +81-3-6636-0573)
Beginning date of dividend payment: -

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

1. Consolidated Financial Results for the Nine Months Ended December 31, 2024

(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
Nine months ended December 31, 2024	310,829	87,143	86,700	88,790	63,110	63,110
% change from previous year	22.8%	38.7%	45.5%	44.4%	41.8%	41.8%
Nine months ended December 31, 2023	253,096	62,821	59,608	61,501	44,495	44,495
% change from previous year	11.6%	53.0%	58.9%	60.3%	61.4%	61.4%

Total comprehensive income for the period: Nine months ended December 31, 2024: ¥66,194 million; 37.6%

Nine months ended December 31, 2023: ¥48,104 million; 52.7%

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)
Nine months ended December 31, 2024	465.56	465.56
Nine months ended December 31, 2023	328.23	328.23

(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
December 31, 2024	649,714	475,265	475,249	73.1%
March 31, 2024	605,850	427,378	427,362	70.5%

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, 2024	-	62.00	-	69.00	131.00
Year ending March 31, 2025	-	66.00	-		
Year ending March 31, 2025 (Forecast)				89.00	155.00

Note) Recently announced change in dividend forecasts for the fiscal year ending March 31, 2025 during the three months ended December 31, 2024: Yes

3. Consolidated Earnings Forecast for the Year Ending March 31, 2025

(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, 2025	412,000	108,000	100,000	100,000	70,000	516.39
% change from previous year	14.3%	22.4%	24.6%	20.9%	18.3%	

Note) Recently announced change in earnings forecasts for the fiscal year ending March 31, 2025 during the three months ended December 31, 2024: Yes

Noted Items

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies and changes in accounting estimates

- Changes in accounting policies required by IFRS: None
- Changes in accounting policies due to other reasons: None
- Changes in accounting estimates: None

(3) Number of shares issued (Share capital)

- Number of shares issued: (Treasury shares included)

As of December 31, 2024	143,500,000 shares
As of March 31, 2024	143,500,000 shares
- Number of treasury shares:

As of December 31, 2024	7,942,768 shares
As of March 31, 2024	7,942,166 shares
- Average number of shares outstanding:

Nine months ended December 31, 2024	135,557,494 shares
Nine months ended December 31, 2023	135,558,479 shares

Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

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 January 31, 2025.

1. Business Performance

(1) Overview of Business Performance

(1) Business Performance

For the nine months ended December 31, 2024, the domestic economy has continued to recover moderately amid improvement in the employment and personal income, despite concerns of inflation weighing on personal spending. On the other hand, the outlook on the world economy remains uncertain mainly due to the effects of monetary tightening by governments, concerns over the outlook on the Chinese economy, heightened geopolitical risks in the Middle East, and the U.S. policy trends.

Amidst these circumstances, for the business results of Konami Group for the nine months ended December 31, 2024, the core content of the Digital Entertainment business primarily continued to perform strongly. For the three months ended December 31, 2024, total revenue, business profit, operating profit, profit before income taxes and profit attributable to owners of the parent all reached record highs on a quarterly basis. For the nine months ended December 31, 2024, these items have also reached record highs.

In terms of the consolidated results for the nine months ended December 31, 2024, total revenue amounted to ¥310,829 million (a year-on-year increase of 22.8%), business profit was ¥87,143 million (a year-on-year increase of 38.7%), operating profit was ¥86,700 million (a year-on-year increase of 45.5%), profit before income taxes was ¥88,790 million (a year-on-year increase of 44.4%), and profit attributable to owners of the parent was ¥63,110 million (a year-on-year increase of 41.8%).

(2) Performance by Business Segment

Summary of total revenue by business segment:

	Millions of Yen, except percentages		
	Nine months ended December 31, 2023	Nine months ended December 31, 2024	% change
Total revenue:			
Digital Entertainment	¥173,369	¥228,882	32.0
Amusement	16,320	16,912	3.6
Gaming & Systems	29,606	30,444	2.8
Sports	35,571	36,415	2.4
Intersegment eliminations	(1,770)	(1,824)	-
Total revenue	¥253,096	¥310,829	22.8

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 are becoming more diverse, such as the increased attention and growing fan bases for the esports space, which treat video games as sports competitions, and gameplay videos.

Amidst these circumstances, as a new initiative for our business in the console games, we released a remake of *SILENT HILL 2*, the psychological horror game which has enjoyed global popularity. This title has sold a total of over one million copies worldwide and continues to increase its sales. (It has sold over two million copies as of January 2025.) Thanks to the evolution of graphics and sound made possible by cutting-edge technology, players can experience an immersive gaming experience. In the baseball game titles featuring player Shohei Ohtani as KONAMI's baseball game ambassador, we released *Professional Baseball Spirits 2024-2025* to commemorate the 20th anniversary of the

Professional Baseball Spirits series. In addition, we launched the distribution of *eBaseball™: MLB PRO SPIRIT*, in 10 countries and regions, including Japan and the United States. The game features realistic graphics of all 30 Major League Baseball (MLB) teams, their home stadiums, and actual major leaguers, such as Shohei Ohtani. This brand-new mobile game allows players to experience the world of MLB, anytime, anywhere.

As a continuation of an existing initiative, *eFootball™*, which is currently available on consoles, PC, and mobile platforms, has now been downloaded more than 800 million times worldwide and continues to enjoy strong demand. Lionel Messi and Neymar were joined by Luis Suarez as new *eFootball™* ambassadors, reuniting the three players who once built FC Barcelona's golden era in the game. In the mobile game space, *PROFESSIONAL BASEBALL SPIRITS A (ACE)* and *JIKKYOU PAWAFURU PUROYAKYU* celebrated their 9th and 10th anniversaries, respectively, with commemorative events and campaigns being held. In addition, we are continuing to develop a project for the Yu-Gi-Oh! card game to commemorate its 25th anniversary. We have also sold goods and conducted campaigns which have been well-received by many customers.

In the eSports space, the final of the “WBC ePremier12 2024,” was held at the Tokyo Dome, with the official WBC baseball game, *WBC eBASEBALL™: POWER PROS*, as the competition title. Additionally, the “FIFAE World Cup 2024™,” an international esports tournament organized by the Fédération Internationale de Football Association (FIFA®) with *eFootball™* as the competition title, was held in Saudi Arabia. Participants representing each country who advanced through the in-game qualifiers, in which more than 14 million players participated, competed fiercely for the title of inaugural champion. Moreover, we hosted the *eFootball™* division final of the “National Prefectural Competitive eSports Championship 2024 SAGA” and the e Nippon Series of the “Prospi A Pro League” using the mobile game *PROFESSIONAL BASEBALL SPIRITS A (ACE)* as the competition title.

In terms of financial performance, total revenue for the nine months ended December 31, 2024 in this segment amounted to ¥228,882 million (a year-on-year increase of 32.0%) and business profit for the nine months ended December 31, 2024 amounted to ¥80,817 million (a year-on-year increase of 44.6%).

Amusement

In the amusement market, socio-economic activity has returned to normal, and the market as a whole is performing steadily.

Amidst these circumstances, in the medal game business, *Momotaro Dentetsu -Medal game mo teiban!-* and *PAWAFURU PUROYAKYU KAIMAKU MEDAL SERIES!* have continued to increase in sales volume. For video games targeted at amusement facilities, we introduced *Monster Retsuden Oreca Battle 2* to the market. This medal game is the latest *Monster Retsuden Oreca Battle* game, where you can enjoy collecting and training highly unique monsters using your own original *Oreca* cards created within the game. In addition, we launched operations for *beatmania IIDX 32 Pinky Crush*, the latest title of the *beatmania IIDX* series. The theme has been refreshed to evoke the “bursting brightness” of music, and with new visuals and highly unique characters, players will be drawn into an immersive gaming experience. Sales have also begun for *MINECRAFT DUNGEONS ARCADE*, which recreates the world of *Minecraft*, which is loved by people of all ages. For prize games, a variety of merchandise from the *Yu-Gi-Oh!* anime series and the *Metal Gear* series have been newly introduced as amusement prizes. In the *KONAMI premium kuji ONLINE* space, an online lottery, we offer premium goods such as *BOMBERGIRL* and *QUIZ MAGIC ACADEMY* that can only be obtained here, and it has been well received.

In the pachinko and pachislot machine space, we launched *Kyokara Orewa!! Pachislot Hen*—based on the popular manga of the same name, *Kyokara Orewa!!* In addition, we released *Momotaro Dentetsu - Pachislot mo teiban!-*, a smart slot recreation of the nationally beloved *Momotaro Dentetsu: Showa*,

Heisei, Reiwa mo Teiban! board game, which has sold a total of more than four million copies as a console game.

In “BEMANI PRO LEAGUE -SEASON 4- beatmania IIDX” of the eSports space, the *DanceDanceRevolution* and the *beatmania IIDX* final matches were held. After the final matches have concluded, we hosted live DJ performances by impressive artists who were regulars in the *BEMANI* series to have fans enjoy a fresh entertainment sensation that combines “esports and music.”

In terms of financial performance, total revenue for the nine months ended December 31, 2024 in this segment amounted to ¥16,912 million (a year-on-year increase of 3.6%) and business profit for the nine months ended December 31, 2024 amounted to ¥2,582 million (a year-on-year increase of 16.2%).

Gaming & Systems

In the gaming market, the North American and the Australian markets remained robust. The markets continue to experience the constant introduction of new products by competing slot machine manufacturers providing for new placement opportunities.

Amidst these circumstances, the *DIMENSION 49™* with a 49-inch ultra-high definition portrait display and the *DIMENSION 27™* with the combination of three 27-inch monitors drove the sales of the slot machine segment. The *DIMENSION 43x3™* also steadily increased its unit sales. In participation (revenue-sharing cabinets), placement of cabinets such as the *DIMENSION 49J™* with a 49-inch curved display are expanding.

In the terms of gaming content, in the North American market, the popular title *Lucky Honeycomb™*, and the *Charms Full Link™* series released in this term, contributed to the sales. Moreover, the *Bingo Frenzy Stampede™* series which attracted customer's attention at the Global Gaming Expo, the largest event in the industry held in October 2024, is performing well. In the Australian market, the *Fortune Hearts™* series, which has a brand-new bonus feature, gained popularity among the market and increased its sales.

SYNKROS®, our casino management system, was installed at multiple large-scale casino facilities, including Ocean Casino Resort in New Jersey, JACK Cleveland Casino and JACK Thistledown Racino in Ohio, the U.S. The number of facilities introducing the system is increasing even more. The high reliability of the system of 99.9% availability is well received by casino operators.

The demand has normalized in the nine months ended December 31, 2024 compared to the same period in 2023 when there was an increase in sales due to the recovery of the Asian market from COVID-19.

In terms of financial performance, total revenue for the nine months ended December 31, 2024 in this segment amounted to ¥30,444 million (a year-on-year increase of 2.8%) and business profit for the nine months ended December 31, 2024 amounted to ¥4,723 million (a year-on-year decrease of 3.2%).

Sports

Although the business environment in the sports market continues to be affected by soaring energy costs, the market is expanding due to people’s growing consciousness of health, as well as the diversification of business categories and services.

Amidst these circumstances, in our operation of sports clubs, we continue to hold large-scale “UNITED FEEL 2024” studio program events at Konami Sports Club locations all over Japan. This program event features popular instructors and is a program aimed at being enjoyed by as many people as possible.

For the “Undo Juku” exercise circle aimed at children, we are developing a variety of options for

children, including swimming, gymnastics, dance, soccer, tennis, and golf, to support the mental and physical growth of children. In addition to regular lessons, we organize competitions and events as a place for children who attend “Undo Juku” to showcase the results of their daily practice, and these have been well received. We are also implementing initiatives to support the improvement of our customers' skills at our schools for adults. In the tennis school space, we held a clinic led by a professional player who is one of the few in Japan to be certified as an “S-class elite coach.”

For “Pilates Mirror,” machine Pilates studios with mirrors on the ceiling, in addition to opening 25 new studios in Tokyo and Kanagawa, we opened “Pilates Mirror Takatsuki” in Takatsuki City, Osaka, the first location to open in Kansai, bringing the total to 49. “Pilates Mirror” has been well received by many customers, with some of the studios having waiting lists for membership. We also opened the first “Personal 30,” 30-minute intensive personal gym sessions' studio, at Kyodo in Tokyo. We offer an efficient training there in a short period of time.

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. We began new contracted operations of sports facilities, including Machida City, Tokyo, Sagamihara City, Kanagawa, Kahoku City, Ishikawa, and Osaka City, Osaka.

In response to the growing need for schools to outsource swimming instruction, we are expanding swimming instruction services at many elementary and junior high schools throughout Japan.

Konami Sports Co., Ltd., which holds *JAZZERCISE*'s master license in Japan and has promoted it nationwide, held a large-scale event “40th Celebration Dance Party” to commemorate the 40th anniversary of *JAZZERCISE* in Japan. As *JAZZERCISE* is the world's largest dance fitness program, it welcomed special guests from the United States, including the program's founder, and the event was well received.

Due to the recent rise in prices of various goods and continued high energy costs, the membership fees have been revised effective August 2024.

In terms of financial performance, total revenue for the nine months ended December 31, 2024 in this segment amounted to ¥36,415 million (a year-on-year increase of 2.4%) and business profit for the nine months ended December 31, 2024 amounted to ¥1,877 million (a year-on-year decrease of 9.7%).

(2) Consolidated Financial Position

(1) Total Assets, Total Liabilities and Total Equity

Total Assets:

Total assets amounted to ¥649,714 million as of December 31, 2024, increasing by ¥43,864 million compared with March 31, 2024. This mainly resulted from an increase in cash and cash equivalents provided by cash flows from operating activities, despite capital expenditures for the construction of our new site, “Konami Creative Front Tokyo Bay,” and payment of dividends.

Total Liabilities:

Total liabilities amounted to ¥174,449 million as of December 31, 2024, decreasing by ¥4,023 million compared with March 31, 2024. This primarily resulted from decreases in other financial liabilities and trade and other payables, despite an increase in income tax payables.

Total Equity:

Total equity amounted to ¥475,265 million as of December 31, 2024, increasing by ¥47,887 million compared with March 31, 2024. This mainly resulted from an increase in total equity attributable to owners of the parent due to recognition of profit for the period and impact of fluctuations in exchange rate, despite payment of dividends.

Ratio of equity attributable to owners of the parent as of December 31, 2024 was 73.1%, increasing by 2.6 points compared with March 31, 2024.

(2) Cash Flows

	Millions of Yen		
	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Change
Cash flow summary:			
Net cash provided by operating activities	¥64,494	¥76,461	¥11,967
Net cash used in investing activities	(25,372)	(42,836)	(17,464)
Net cash used in financing activities	(22,359)	(23,922)	(1,563)
Effect of exchange rate changes on cash and cash equivalents	2,257	2,244	(13)
Net increase in cash and cash equivalents	19,020	11,947	(7,073)
Cash and cash equivalents at the end of the year	¥238,283	¥285,694	¥47,411

Cash and cash equivalents (hereafter, referred to as “Net cash”) amounted to ¥285,694 million as of December 31, 2024, increasing by ¥11,947 million compared with March 31, 2024.

Cash flow summary for each activity for the nine months ended December 31, 2024 is as follows:

Cash flows from operating activities:

Net cash provided by operating activities amounted to ¥76,461 million for the nine months ended December 31, 2024, a year-on-year increase of 18.6%. This primarily resulted from an increase in profit for the period.

Cash flows from investing activities:

Net cash used in investing activities amounted to ¥42,836 million for the nine months ended December 31, 2024, a year-on-year increase of 68.8%. This primarily resulted from an increase in capital expenditures.

Cash flows from financing activities:

Net cash used in financing activities amounted to ¥23,922 million for the nine months ended December 31, 2024, a year-on-year increase of 7.0%. This primarily resulted from an increase in dividends paid.

(3) Outlook for the Fiscal Year Ending March 31, 2025

Digital Entertainment

With networked entertainment offerings rapidly becoming mainstream, more people than ever before have a growing number of opportunities to enjoy playing games on any device. Amidst this situation, we will continue to propose ways for our games to be played so that even more people can enjoy them, regardless of the device they use. In addition, 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 for new initiatives going forward, we will be releasing the console game *Yu-Gi-Oh! EARLY DAYS COLLECTION* to commemorate the 25th anniversary of the Yu-Gi-Oh! card game, for Nintendo Switch™ and Steam®. We plan to include 14 of the early titles from the Yu-Gi-Oh! digital game series, and will also install features that are unique to this product. We are also planning to release *Suikoden I&II HD Remaster Gate Rune and Dunan Unification Wars*, which includes the two titles of *Suikoden*, the first title of KONAMI's original RPG series that gained popularity, and its sequel *Suikoden II*.

As for ongoing efforts, for the *METAL GEAR* series, we are working diligently on the production for the remaking release of *METAL GEAR SOLID Δ: SNAKE EATER*, which will be evolved with the latest graphics and three-dimensional sound expression. In the *SILENT HILL* series, we will continue to produce completely new titles. We intend to update the latest information through the “SILENT HILL Transmission” program, which will be broadcast simultaneously around the world. We will also continue to promote attractive measures for currently available titles such as *eBaseball™: MLB PRO SPIRIT* as well as *eFootball™*, *PROFESSIONAL BASEBALL SPIRITS A (ACE)*, and *Yu-Gi-Oh! MASTER DUEL*, so that even more customers will be able to enjoy them.

In the esports space, we have announced the holding of the “eFootball™ Championship 2025,” the largest official esports tournament for *eFootball™*. We will be holding two tournaments: the “eFootball™ Championship 2025 Open,” which is open to all players, and the “eFootball™ Championship 2025 Club Event,” which will determine the number one fan of the clubs that have signed official partnerships. Furthermore, “Prospi A Championship” begins in January 2025, using the mobile game *PROFESSIONAL BASEBALL SPIRITS A (ACE)* as the competition title. 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 the medal game space, we will introduce *Anima Lotta Yusha Anima to Ryu no Hiho* to the market.

This title has evolved all the pockets in the center of the cabinet to a digital version, and it is loaded with even more variety added to the play. We will also be introducing the latest version of the popular horse racing game, *GI-WorldClassic GLORY*, to the market. In addition to raising racehorses, elements that increase the intimacy with jockeys have been added. For video games targeted at amusement facilities, we will launch operations for *GITADORA -ARENA MODEL-*, which is the latest of the *GITADORA* series. The three-sided display with a large main monitor and two sub-monitors on the left and right, as well as the upgraded sound, create a sense of realism and immersion as if standing on a live stage.

In the pachinko and pachislot machine space, we will be introducing the popular battle fantasy *Nanatsu no Maken ga Shihaisuru* into the market as a smart slot machine. We plan to produce a lineup of other new titles so that even more people can enjoy them.

Through providing new user experiences, we will deliver the amusement and fun, 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 the gaming market, competitors are introducing new products successively, creating an environment that requires higher product appeal. Under such circumstances, KONAMI will also enhance our brand value by developing our new game titles and system features.

In the slot machine business, we will continue to expand the highly acclaimed *DIMENSION* series in the market. In our gaming contents, we will continue to expand highly admired game series such as the *Charms Full Link™*, the *Unwooly Riches™*, and the *Bingo Frenzy Stampede™*.

As the effort to expand our business area, we are expanding Class II machines to the market. Moreover, we are sequentially delivering VLT (Video Lottery Terminal) to the major operator located in Illinois, and also made exclusive agreement to deploy WAP (Wide Area Progressive) machines which enable to share jackpot among multiple casino facilities, in British Columbia, Canada. To add on, we are proceeding with the expansion of the sales of HHR (Historical Horse Racing) machines and development of our popular gaming contents as iGaming contents.

In our casino management system, *SYNKROS®* will be introduced to several casino facilities. Moreover, we will expand the feature of *SYNK Vision™*, the world's only player facial recognition solution for Electronic Game Machines, to table games to enhance convenience of the system. This expansion enables seamless management throughout casino floor.

By proceeding with the development of various functions that utilize cutting-edge technologies, responding to our client needs, we will aim to expand our market share.

Sports

For the operation of sports clubs, we will continue to improve our services to provide more people with opportunities for exercise.

For the “Undo Juku” exercise circle aimed at children, we announced that we will be newly introducing “Undo Juku Digital Note,” which is currently being used at swimming school lessons, to gymnastics and dance schools. The lessons that utilize the latest technologies, such as video and AI, as well as our many years of teaching expertise, have been well received by children and their parents.

For “Pilates Mirror,” machine Pilates studios with mirrors on the ceiling, will open four new studios in Tokyo and Kanagawa, bringing the total number of studios to over 50. Meanwhile, “Personal 30”—a personal gym with intensive 30-minute sessions—offers short, efficient, and comfortable ways for customers to achieve the bodies they want to have as they go through repeated 30-minute sessions. Going forward, we plan to expand the number of new business line locations in order to meet the needs of more people.

With regard to the operation of outsourced facilities, from April 2025, we have been newly designated as the designated manager in charge of operating sports facilities in Toshima Ward and Nakano Ward, Tokyo, Niiza City, Saitama, and Izumiotsu City, Osaka. At each facility, we will manage gymnasiums and training rooms, hold various schools and events, and undertake various initiatives so that people of all ages, from children to the elderly, can use them.

In the outsourced school swimming classes, we will strive to improve children's swimming abilities through effective instruction provided by professional staff members in a safe and secure environment. We will continue to expand the number of target schools in order to provide a safe environment where students can take classes at indoor pools, which are less affected by weather and temperature. We will continue to provide products and services that meet the needs of our customers.

Consolidated earnings forecast for the fiscal year ending March 31, 2025 was revised as follows, mainly due to strong performance of core titles, including *eFootball*TM, as well as sales of the new console game *SILENT HILL 2*, which is expected to exceed the plan, in the Digital Entertainment business. Please refer to “Notice on Revision of the Consolidated Forecast and the Dividend Forecast for the Fiscal Year Ending March 31, 2025” for further details, released on January 31, 2025.

Consolidated earnings forecast for the fiscal year ending March 31, 2025

Millions of yen

	Performance forecast for the year ending March 31, 2025		Year ended March 31, 2024 (actual)	% change from previous year
	Previous forecast	Revised forecast		
Revenue	¥380,000	¥412,000	¥360,314	14.3%
Business profit	92,500	108,000	88,212	22.4%
Operating profit	84,500	100,000	80,262	24.6%
Profit before income taxes	84,500	100,000	82,685	20.9%
Profit attributable to owners of the parent	¥59,500	¥70,000	¥59,171	18.3%

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, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	¥273,747	¥285,694
Trade and other receivables	43,887	51,095
Inventories	13,764	14,275
Income tax receivables	603	518
Other current assets	11,859	13,506
Total current assets	343,860	365,088
Non-current assets		
Property, plant and equipment, net	154,454	166,566
Goodwill and intangible assets	57,226	64,783
Investments accounted for using the equity method	3,456	4,693
Other investments	1,768	1,752
Other financial assets	15,300	17,572
Deferred tax assets	28,275	28,111
Other non-current assets	1,511	1,149
Total non-current assets	261,990	284,626
Total assets	605,850	649,714
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	-	19,990
Other financial liabilities	9,263	8,804
Trade and other payables	44,257	41,785
Income tax payables	10,615	12,960
Other current liabilities	21,791	22,117
Total current liabilities	85,926	105,656
Non-current liabilities		
Bonds and borrowings	59,862	39,905
Other financial liabilities	20,262	16,421
Provisions	9,527	9,259
Deferred tax liabilities	1,192	1,340
Other non-current liabilities	1,703	1,868
Total non-current liabilities	92,546	68,793
Total liabilities	178,472	174,449
Equity		
Share capital	47,399	47,399
Share premium	78,144	78,144
Treasury shares	(21,603)	(21,610)
Other components of equity	20,625	23,709
Retained earnings	302,797	347,607
Total equity attributable to owners of the parent	427,362	475,249
Non-controlling interests	16	16
Total equity	427,378	475,265
Total liabilities and equity	¥605,850	¥649,714

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

Quarterly Condensed Consolidated Statement of Profit or Loss

	Millions of Yen	
	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Revenue		
Product sales revenue	¥80,800	¥92,763
Service and other revenue	172,296	218,066
Total revenue	253,096	310,829
Cost of revenue		
Cost of product sales revenue	(37,861)	(43,302)
Cost of service and other revenue	(102,871)	(120,208)
Total cost of revenue	(140,732)	(163,510)
Gross profit	112,364	147,319
Selling, general and administrative expenses	(49,543)	(60,176)
Other income and other expenses, net	(3,213)	(443)
Operating profit	59,608	86,700
Finance income	2,012	1,984
Finance costs	(489)	(379)
Profit from investments accounted for using the equity method	370	485
Profit before income taxes	61,501	88,790
Income taxes	(17,006)	(25,680)
Profit for the period	44,495	63,110
Profit attributable to:		
Owners of the parent	44,495	63,110
Non-controlling interests	¥0	¥0
		Yen
	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Earnings per share (attributable to owners of the parent)		
Basic	¥328.23	¥465.56
Diluted	¥328.23	¥465.56

Quarterly Condensed Consolidated Statement of Comprehensive Income

Millions of Yen

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit for the period	¥44,495	¥63,110
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	(234)	(11)
Total items that will not be reclassified to profit or loss	(234)	(11)
Items that may be reclassified to profit or loss:		
Exchange differences on foreign operations	3,843	3,095
Total items that may be reclassified to profit or loss	3,843	3,095
Total other comprehensive income	3,609	3,084
<i>Total comprehensive income for the period</i>	48,104	66,194
Comprehensive income attributable to:		
Owners of the parent	48,104	66,194
Non-controlling interests	¥0	¥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		
Balance at April 1, 2023	¥47,399	¥78,144	¥(21,594)	¥11,880	¥260,435	¥376,264	¥15	¥376,279
Profit for the period					44,495	44,495	0	44,495
Other comprehensive income				3,609		3,609		3,609
Total comprehensive income for the period	-	-	-	3,609	44,495	48,104	0	48,104
Purchase of treasury shares			(4)			(4)		(4)
Disposal of treasury shares		0	0			0		0
Dividends					(16,809)	(16,809)		(16,809)
Total transactions with the owners	-	0	(4)	-	(16,809)	(16,813)	-	(16,813)
Balance at December 31, 2023	¥47,399	¥78,144	¥(21,598)	¥15,489	¥288,121	¥407,555	¥15	¥407,570

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		
Balance at April 1, 2024	¥47,399	¥78,144	¥(21,603)	¥20,625	¥302,797	¥427,362	¥16	¥427,378
Profit for the period					63,110	63,110	0	63,110
Other comprehensive income				3,084		3,084		3,084
Total comprehensive income for the period	-	-	-	3,084	63,110	66,194	0	66,194
Purchase of treasury shares			(7)			(7)		(7)
Dividends					(18,300)	(18,300)		(18,300)
Total transactions with the owners	-	-	(7)	-	(18,300)	(18,307)	-	(18,307)
Balance at December 31, 2024	¥47,399	¥78,144	¥(21,610)	¥23,709	¥347,607	¥475,249	¥16	¥475,265

(4) Quarterly Condensed Consolidated Statement of Cash Flows

	Millions of Yen	
	Nine months ended December 31, 2023	Nine months ended December 31, 2024
<i>Operating activities</i>		
Profit for the period	¥44,495	¥63,110
Depreciation and amortization	15,955	21,202
Impairment losses	810	506
Interest and dividends income	(922)	(1,058)
Interest expense	468	359
Loss on sale or disposal of property, plant and equipment	2,478	21
Profit from investments accounted for using the equity method	(370)	(485)
Income taxes	17,006	25,680
Increase in trade and other receivables	(3,404)	(6,660)
Increase in inventories	(2,642)	(74)
Increase (decrease) in trade and other payables	1,142	(1,200)
Increase in prepaid expense	(946)	(874)
Increase in contract liabilities	5,440	640
Other, net	(3,735)	(2,936)
Interest and dividends received	890	1,105
Interest paid	(382)	(298)
Income taxes paid	(11,789)	(22,577)
<i>Net cash provided by operating activities</i>	64,494	76,461
<i>Investing activities</i>		
Capital expenditures	(25,498)	(41,806)
Payments for lease deposits	(78)	(61)
Proceeds from refunds of lease deposits	261	158
Other, net	(57)	(1,127)
<i>Net cash used in investing activities</i>	(25,372)	(42,836)
<i>Financing activities</i>		
Principal payments of lease liabilities	(5,565)	(5,635)
Dividends paid	(16,789)	(18,280)
Other, net	(5)	(7)
<i>Net cash used in financing activities</i>	(22,359)	(23,922)
Effect of exchange rate changes on cash and cash equivalents	2,257	2,244
Net increase in cash and cash equivalents	19,020	11,947
Cash and cash equivalents at the beginning of the period	219,263	273,747
<i>Cash and cash equivalents at the end of the period</i>	¥238,283	¥285,694

(5) Going Concern Assumption

None

(6) Segment Information

(i) Operating Segment Information

For the nine months ended December 31, 2023

Millions of Yen

	Reportable segments					Intersegment eliminations	Consolidated
	Digital Entertainment	Amusement	Gaming & Systems	Sports	Total		
Revenue							
External customers	¥172,840	¥15,193	¥29,517	¥35,546	¥253,096	-	¥253,096
Intersegment	529	1,127	89	25	1,770	¥(1,770)	-
Total	173,369	16,320	29,606	35,571	254,866	(1,770)	253,096
Business profit	¥55,902	¥2,222	¥4,878	¥2,079	¥65,081	¥(2,260)	62,821
Other income and other expenses, net	-	-	-	-	-	-	(3,213)
Operating profit	-	-	-	-	-	-	59,608
Finance income and finance costs, net	-	-	-	-	-	-	1,523
Profit from investments accounted for using the equity method	-	-	-	-	-	-	370
Profit before income taxes	-	-	-	-	-	-	¥61,501

For the nine months ended December 31, 2024

Millions of Yen

	Reportable segments					Intersegment eliminations	Consolidated
	Digital Entertainment	Amusement	Gaming & Systems	Sports	Total		
Revenue							
External customers	¥228,442	¥15,790	¥30,433	¥36,164	¥310,829	-	¥310,829
Intersegment	440	1,122	11	251	1,824	¥(1,824)	-
Total	228,882	16,912	30,444	36,415	312,653	(1,824)	310,829
Business profit	¥80,817	¥2,582	¥4,723	¥1,877	¥89,999	¥(2,856)	87,143
Other income and other expenses, net	-	-	-	-	-	-	(443)
Operating profit	-	-	-	-	-	-	86,700
Finance income and finance costs, net	-	-	-	-	-	-	1,605
Profit from investments accounted for using the equity method	-	-	-	-	-	-	485
Profit before income taxes	-	-	-	-	-	-	¥88,790

(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, computer & video games, and card 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.
d) Sports:	Operation of sports facilities and courses, 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 (loss) 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	
	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Revenue:		
Japan	¥175,393	¥219,147
United States	48,740	56,095
Europe	16,008	21,910
Asia/Oceania	12,955	13,677
Consolidated	¥253,096	¥310,829

(Note)

For the purpose of presenting operations in the geographic areas above, revenue from external customers is categorized based on the geographical location of each Konami Group company.