KOEI TECMO HOLDINGS CO., LTD.

Financial Highlights

for the 3rd Quarter of the Fiscal Year Ending March 2018 (FY2017)

Summary of Consolidated Statements of Income (millions of Yen)

	FY2016		FY2017			
	3rd Quarter Results	Full Year Results	3rd Quarter Results	YoY change ratio	Full Year Forecast	YoY change ratio
Net Sales	24,199	37,034	24,030	-0.7%	42,000	13.4%
Gross Profit	9,265	17,211	11,063	19.4%	-	-
Operating Income	3,499	8,781	5,688	62.5%	11,500	31.0%
Income before income taxes and minority interests	7,972	15,211	11,405	43.1%	16,000	5.2%
Net Income	5,987	11,624	8,261	38.0%	11,700	0.6%

Net Sales by Segment (millions of Yen)

	FY2016		FY2017			
	3rd Quarter Results	Full Year Results	3rd Quarter Results	YoY change ratio	Full Year Forecast	YoY change ratio
Entertainment	21,120	33,025	21,264	0.7%	37,600	13.9%
Pachislot & Pachinko	1,540	1,992	737	-52.1%	1,600	-19.7%
Amusement Facilities	940	1,266	1,166	24.0%	2,100	65.9%
Real Estate	593	788	586	-1.1%	730	-7.4%
Other	256	336	552	115.8%	120	-64.3%
Corporate & Elimination	-252	-376	-276	-	△150	-
Total	24,199	37,034	24,030	-0.7%	42,000	13.4%

Operating Income by Segment (millions of Yen)

	FY2016		FY2017			
	3rd Quarter Results	Full Year Results	3rd Quarter Results	YoY change ratio	Full Year Forecast	YoY change ratio
Entertainment	2,713	7,815	4,916	81.2%	10,350	32.4%
Pachislot & Pachinko	579	736	246	-57.5%	600	-18.5%
Amusement Facilities	76	27	-227	-	200	640.7%
Real Estate	249	248	268	7.7%	300	21.0%
Other	188	243	483	156.8%	50	-79.4%
Corporate & Elimination	-308	-290	0	-	0	-
Total	3,499	8,781	5,688	62.5%	11,500	31.0%

KOEI TECMO HOLDINGS CO., LTD.
Consolidated Balance Sheets

	(millions of Yen)	
	Prior Fiscal Year (as of March 31, 2017)	Current Fiscal Year (as of December 31, 2017)
Assets		
Current Assets		
Cash and time deposits	11,868	5,510
Notes and accounts receivable	8,168	5,429
Marketable securities	1,871	50
Merchandise and Finished goods	96	102
Work in process	4	354
Raw materials	42	110
Deferred tax assets	939	380
Other current assets	3,721	2,003
Allowance for bad debts	Δ 23	Δ18
Total current assets	26,689	13,924
Fixed assets		
Property and equipment		
Buildings and structures, net	10,993	10,887
Land	14,615	14,615
Construction in progress	9	3,522
Other, net	508	522
Total Property and equipment	26,126	29,548
Intangible assets		
Goodwill	—	—
Other	208	203
Total Intangible assets	208	203
Investments and other assets		
Investment securities	65,484	81,452
Deferred tax assets	142	270
Other	809	894
Total investments and other assets	66,436	82,618
Total fixed assets	92,772	112,369
Total assets	119,461	126,294

	(millions of Yen)	
	Prior Fiscal Year (as of March 31, 2017)	Current Fiscal Year (as of December 31, 2017)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	487	671
Short-term loans payable	—	2,500
Accounts payable- other	4,244	1,574
Income taxes payable	2,566	1,061
Accrued bonuses to employees	949	554
Accrued bonuses to directors	242	84
Allowance for sales returns	0	0
Allowance for sales discount	255	162
Allowance for customer-discount points	21	17
Deferred tax liabilities	0	0
Other current liabilities	2,691	1,611
Total current liabilities	11,460	8,238
Long-term liabilities		
Net defined benefit liability	295	173
Deferred tax liabilities	326	2,414
Other long-term liabilities	861	842
Total long-term liabilities	1,484	3,430
Total liabilities	12,944	11,668
Net assets		
Shareholders' equity		
Common stock	15,000	15,000
Capital surplus	25,937	26,085
Retained earnings	66,159	68,512
Treasury stock	Δ 1,456	Δ1,320
Total shareholders' equity	105,639	108,277
Accumulated other comprehensive income		
Unrealized gains or losses on securities	3,130	7,976
Unrealized losses on revaluation of the land	Δ 3,115	Δ3,115
Foreign currency translation adjustments	697	1,254
Remeasurements of defined benefit plans	Δ 90	Δ97
Total accumulated other comprehensive income	622	6,018
Share subscription rights	254	330
Total net assets	106,516	114,625
Total liabilities and net assets	119,461	126,294