

# FY2024 3<sup>rd</sup> Quarter Financial Results

Nine months ended December 31, 2023

KONAMI GROUP CORPORATION  
February 1, 2024

## Cautionary statement with respect to forward-looking statements

Statements made in this presentation with respect to KONAMI GROUP'S current plans, estimates, strategies and beliefs, including forecasts, are forward-looking statements about the future performance of the Company. These statements are based on management's assumptions and beliefs in light of information currently available to it and, therefore, you should not place undue reliance on them. A number of important factors could cause actual results to be materially different from and worse than those discussed in forward-looking statements. Such factors include, but are not limited to (1) Changes in economic conditions affecting our operations; (2) Fluctuations in foreign exchange rates, particularly with respect to the value of the Japanese yen, the U.S. dollar and the Euro; (3) the Company's ability to continue to win acceptance of our products, which are offered in highly competitive markets characterized by the continuous introduction of new products, rapid developments in technology and subjective and changing consumer preferences; (4) the Company's ability to successfully expand internationally with a focus on our Digital Entertainment business, Amusement business and Gaming & Systems business; (5) the Company's ability to successfully expand the scope of our business and broaden our customer base through our Sports business; (6) Regulatory developments and changes and our ability to respond and adapt to those changes; (7) the Company's expectations with regard to further acquisitions and the integration of any companies we may acquire; and (8) the outcome of contingencies.

- Financial information included herein is not audited by independent public accountants
- (1) Numbers included in this presentation material are;
  - a) in accordance with IFRS
  - b) rounded to the nearest one hundred million yen
- (2) Revenues of each segment include inter-segment sales

➤ Consolidated Financial Results _____	4
➤ Revenue by Business Segment _____	5
➤ Profit by Business Segment _____	6
➤ Earnings Guidance Revision _____	7
➤ Earnings Guidance Revision by Business Segment _____	8
➤ Dividend Forecast for FY2024 _____	10
➤ Digital Entertainment _____	11
➤ Amusement _____	12
➤ Gaming & Systems _____	13
➤ Sports _____	14
➤ Titles Released in Oct - Dec 2023 / Pipeline _____	15
➤ Consolidated Business Performance _____	17
➤ Consolidated Financial Position _____	18
➤ Consolidated Cash Flows _____	19

## Consolidated Financial Results

(JPY in billions)

	<b>FY2023 Q1-3</b> 9 months ended December 2022	<b>FY2024 Q1-3</b> 9 months ended December 2023	<b>YoY Change (Amount)</b>	<b>YoY Change (%)</b>	<b>FY2024 Guidance</b> 12 months ending March 2024
Revenue	226.9	253.1	26.2	+11.6%	328.0
Business profit	41.1	62.8	21.8	+53.0%	63.0
Other income and other expenses	△ 3.5	△ 3.2	0.3	-	△ 3.0
Operating profit	37.5	59.6	22.1	+58.9%	60.0
Profit before income taxes	38.4	61.5	23.1	+60.3%	59.0
Profit for the period (attributable to owners of the parent)	27.6	44.5	16.9	+61.4%	41.0
Earnings per share (JPY)	204.82	328.23	123.41		302.45

## Revenue by Business Segment

(JPY in billions)

	<b>FY2023 Q1-3</b> <small>9 months ended December 2022</small>	<b>FY2024 Q1-3</b> <small>9 months ended December 2023</small>	<b>YoY Change (Amount)</b>	<b>YoY Change (%)</b>	<b>FY2024 Guidance</b> <small>12 months ending March 2024</small>
Digital Entertainment	156.4	173.4	16.9	+10.8%	216.0
Amusement	10.6	16.3	5.8	+54.6%	27.0
Gaming & Systems	27.9	29.6	1.7	+6.3%	39.0
Sports	33.7	35.6	1.9	+5.5%	49.5
Eliminations	△ 1.7	△ 1.8	△ 0.1	-	△ 3.5
<b>Total revenue</b>	<b>226.9</b>	<b>253.1</b>	<b>26.2</b>	<b>+11.6%</b>	<b>328.0</b>

## Profit by Business Segment

(JPY in billions)

	FY2023 Q1-3 9 months ended December 2022	FY2024 Q1-3 9 months ended December 2023	YoY Change (Amount)	YoY Change (%)	FY2024 Guidance 12 months ending March 2024
Digital Entertainment	37.4	55.9	18.5	+49.4%	55.5
Amusement	1.1	2.2	1.2	+109.3%	5.5
Gaming & Systems	3.9	4.9	1.0	+25.7%	6.5
Sports	0.8	2.1	1.3	+153.5%	1.0
Corporate expenses and eliminations	△ 2.1	△ 2.3	△ 0.1	-	△ 5.5
<b>Total business profit</b>	<b>41.1</b>	<b>62.8</b>	<b>21.8</b>	<b>+53.0%</b>	<b>63.0</b>
Other income and other expenses	△ 3.5	△ 3.2	0.3	-	△ 3.0
<b>Total operating profit</b>	<b>37.5</b>	<b>59.6</b>	<b>22.1</b>	<b>+58.9%</b>	<b>60.0</b>

## Earnings Guidance Revision

(JPY in billions)

	<b>FY2023 Actual</b>	<b>FY2024 Initial Guidance</b>	<b>FY2024 Revised Guidance</b>	<b>Change vs. Initial Guidance</b>	<b>YoY Change</b>
	12 months ended March 2023	12 months ending March 2024	12 months ending March 2024		
Revenue	314.3	328.0	343.0	15.0	28.7
Business profit	56.6	63.0	78.5	15.5	21.9
Operating profit	46.2	60.0	72.0	12.0	25.8
Profit before income taxes	47.1	59.0	72.0	13.0	24.9
Profit for the period (attributable to owners of the parent)	34.9	41.0	51.0	10.0	16.1
Earnings per share (JPY)	258.81	302.45	376.22	73.77	117.41

## Earnings Guidance Revision (Revenue Breakdown)

(JPY in billions)

	FY2023 Actual	FY2024 Initial Guidance	FY2024 Revised Guidance	Change vs. Initial Guidance	YoY Change
	12 months ended March 2023	12 months ending March 2024	12 months ending March 2024		
Digital Entertainment	213.4	216.0	233.0	17.0	19.6
Amusement	19.5	27.0	27.0	0.0	7.5
Gaming & Systems	38.6	39.0	39.0	0.0	0.4
Sports	45.5	49.5	47.5	△ 2.0	2.0
Eliminations	△ 2.7	△ 3.5	△ 3.5	0.0	△ 0.8
<b>Total revenue</b>	<b>314.3</b>	<b>328.0</b>	<b>343.0</b>	<b>15.0</b>	<b>28.7</b>



## Earnings Guidance Revision (Profit Breakdown)

(JPY in billions)

	FY2023 Actual	FY2024 Initial Guidance	FY2024 Revised Guidance	Change vs. Initial Guidance	YoY Change
	12 months ended March 2023	12 months ending March 2024	12 months ending March 2024		
Digital Entertainment	53.0	55.5	70.0	14.5	17.0
Amusement	2.8	5.5	5.5	0.0	2.7
Gaming & Systems	5.2	6.5	6.5	0.0	1.3
Sports	0.5	1.0	2.0	1.0	1.5
Corporate expenses and eliminations	△ 4.8	△ 5.5	△ 5.5	0.0	△ 0.7
<b>Total business profit</b>	<b>56.6</b>	<b>63.0</b>	<b>78.5</b>	<b>15.5</b>	<b>21.9</b>
Other income and other expenses	△ 10.4	△ 3.0	△ 6.5	△ 3.5	3.9
<b>Total operating profit</b>	<b>46.2</b>	<b>60.0</b>	<b>72.0</b>	<b>12.0</b>	<b>25.8</b>

## Dividend Forecast for FY2024 (No change)

(JPY)

	FY2023 dividend	FY2024 dividend forecast	YoY Change (Amount)
	12 months ended March 2023	12 months ending March 2024	
Interim dividend	<b>62.00</b>	<b>62.00</b>	<b>0.00</b>
Year-end dividend	<b>62.00</b>	<b>62.00</b> (forecast)	<b>0.00</b>
Annual dividend	<b>124.00</b>	<b>124.00</b> (forecast)	<b>0.00</b>

No change to the forecast announced on May 11, 2023.

### Revenue and profit

(JPY in billions)

	FY2023 Q1-3	FY2024 Q1-3	YoY Change (Amount)	YoY Change (%)	FY2024 Initial Guidance	FY2024 Revised Guidance
	9 months ended December 2022	9 months ended December 2023			12 months ending March 2024	12 months ending March 2024
Revenue	156.4	173.4	16.9	+10.8%	216.0	233.0
Business profit	37.4	55.9	18.5	+49.4%	55.5	70.0
Operating profit	37.7	52.7	15.0	+39.9%	52.5	63.5
Operating profit margin	24%	30%			24%	27%

\*Operating profit includes other profit of JPY 0.2 billion (FY2023) and other expenses of JPY 3.2 billion (FY2024)

### FY2024 Q3 summary

- Launched Momotaro Dentetsu World -Chikyu wa Kibou de Mawatteru!- and METAL GEAR SOLID: MASTER COLLECTION Vol.1
- eFootball™ 2024 and PROFESSIONAL BASEBALL SPIRITS A sustained strong performance
- Card games – Pre-sale of limited items prior to Yu-Gi-Oh! 25<sup>th</sup> anniversary event being held at Tokyo Dome in February
- esports initiative – Co-hosted the eClimax Series and eNippon Series for the eBASEBALL Prospi A League 2023 season with Nippon Professional Baseball (NPB)

### Revenue and profit

(JPY in billions)

	FY2023 Q1-3	FY2024 Q1-3	YoY Change (Amount)	YoY Change (%)	FY2024 Initial Guidance	FY2024 Revised Guidance
	9 months ended December 2022	9 months ended December 2023			12 months ending March 2024	12 months ending March 2024
Revenue	10.6	16.3	5.8	+54.6%	27.0	27.0
Business profit	1.1	2.2	1.2	+109.3%	5.5	5.5
Operating profit	1.1	2.2	1.2	+109.7%	5.5	5.5
Operating profit margin	10%	14%			20%	20%

### FY2024 Q3 summary

- Launched new medal games from the FORTUNE TRINITY and ELDORA CROWN series
- Released smart-pachislot title Magical Halloween 8
- Showcased new music video game Polaris Chord and new prize game PUKURE at AMUSEMENT EXPO in TOKYO BIG SIGHT
- Hosted the finals for beatmania IIDX at BEAMANI PRO LEAGUE -SEASON 3-, a professional league combining music and e-sports

### Revenue and profit

(JPY in billions)

	FY2023 Q1-3	FY2024 Q1-3	YoY Change (Amount)	YoY Change (%)	FY2024 Initial Guidance	FY2024 Revised Guidance
	9 months ended December 2022	9 months ended December 2023			12 months ending March 2024	12 months ending March 2024
Revenue	27.9	29.6	1.7	+6.3%	39.0	39.0
Business profit	3.9	4.9	1.0	+25.7%	6.5	6.5
Operating profit	0.3	5.0	4.7	+1,442.5%	6.5	6.6
Operating profit margin	1%	17%			17%	17%

\*Operating profit includes other expenses of JPY 3.6 billion (FY2023) and other income of JPY 0.1 billion (FY2024)

### FY2024 Q3 summary

- Launched new DIMENSION series cabinet DIMENSION 43x3, featuring three 43-inch stacked displays, delivering strong performance
- Highly acclaimed casino management system SYNKROS continues to expand install base at casino facilities – installed at the Fontainebleau Las Vegas resort for its December grand opening

### Revenue and profit

(JPY in billions)

	FY2023 Q1-3	FY2024 Q1-3	YoY Change (Amount)	YoY Change (%)	FY2024 Initial Guidance	FY2024 Revised Guidance
	9 months ended December 2022	9 months ended December 2023			12 months ending March 2024	12 months ending March 2024
Revenue	33.7	35.6	1.9	+5.5%	49.5	47.5
Business profit	0.8	2.1	1.3	+153.5%	1.0	2.0
Operating profit	0.6	2.0	1.4	+220.7%	1.0	1.9
Operating profit margin	2%	6%			2%	4%

\*Operating profit includes other expenses of JPY 0.2 billion (FY2023) and JPY 0.1 billion (FY2024)

### FY2024 Q3 summary

- Strong traction among pilates studios – opened 18 studios this fiscal year with a cumulative total of 23 studios
- Launched “Personal 30 by Konami Sports”, a new personal training gym brand based on the concept of 30 minutes concentrated workout, and announced its first studio scheduled to open in April
- Commenced operation of sports facility at Chuo Ward (Tokyo) in December, in addition to the commencement of operation on behalf of five local governments in the first half

## Titles Released in Oct – Dec 2023 / Pipeline(1)

Title	Platform	Geography	Release Date	Business Segment (※)
METAL GEAR SOLID: MASTER COLLECTION Vol.1	Nintendo Switch™, PlayStation®4, PlayStation®5, Xbox Series X S, Steam®	Global	Oct '23	DE
Super Crazy Rhythm Castle	Nintendo Switch™, PlayStation®4, PlayStation®5, Xbox One, Xbox Series X S, Steam®	Global	Nov '23	DE
Momotaro Dentetsu World -Chikyu wa Kibou de Mawatteru!-	Nintendo Switch™	Japan	Nov '23	DE
Tokimeki Memorial Girl's Side 1st Love for Nintendo Switch	Nintendo Switch™	Japan	Feb '24	DE
Tokimeki Memorial Girl's Side 2nd Season for Nintendo Switch	Nintendo Switch™	Japan	Feb '24	DE
Tokimeki Memorial Girl's Side 3rd Story for Nintendo Switch	Nintendo Switch™	Japan	Feb '24	DE
Contra: Operation Galuga	Nintendo Switch™, PlayStation®4, PlayStation®5, Xbox One, Xbox Series X S, Steam®	Global	Early 2024	DE
ORE'N	Browser	Global	2024	DE
CYGNi: All Guns Blazing	PlayStation®5, Xbox Series X S, Steam®	Global	2024	DE
Suikoden I&II HD Remaster Gate Rune & Dunan Unification Wars	Nintendo Switch™, PlayStation®4, Xbox One, Steam®	Global	TBD	DE
SHINEPOST Be Your IDOL!	App Store, Google Play	Japan	TBD	DE
METAL GEAR SOLID Δ: SNAKE EATER	PlayStation®5, Xbox Series X S, Steam®	Global	TBD	DE
SILENT HILL 2	PlayStation®5, Steam®	Global	TBD	DE
SILENT HILL: Townfall	TBD	Global	TBD	DE
SILENT HILL f	TBD	Global	TBD	DE

※ DE: Digital Entertainment



Momotaro Dentetsu World -Chikyu wa Kibou de Mawatteru!-



Contra: Operation Galuga



SILENT HILL 2



METAL GEAR SOLID: MASTER COLLECTION Vol.1



CYGNi: All Guns Blazing



METAL GEAR SOLID Δ: SNAKE EATER

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## Titles Released in Oct – Dec 2023 / Pipeline(2)

Title	Platform	Geography	Release Date	Business Segment (※)
FORTUNE TRINITY Jiku no Diamond	Arcade Machine (Medal Game)	Japan	Oct '23	AM
ELDORA CROWN Yukyu no Labyrinth	Arcade Machine (Medal Game)	Japan	Nov '23	AM
Magical Halloween 8	Pachislot Machine	Japan	Dec '23	AM
ColorCoLotta Maboroshi no Togenkyo	Arcade Machine (Medal Game)	Japan	Feb '24	AM
GI Derby Club Gold	Pachislot Machine	Japan	Feb '24	AM
PACHINKO GI Derby Club 2 Lucky Trigger ver	Pachinko Machine	Japan	Mar '24	AM
Polaris Chord	Arcade Machine (Music Video Game)	Japan	TBD	AM
PUKURE	Arcade Machine (Prize Game)	Japan	TBD	AM
DIMENSION 43x3	Gaming Machine	North America	Oct '23	GS

※ AM: Amusement GS: Gaming & Systems



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Magical Halloween 8



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Polaris Chord



©Konami Amusement

ELDORA CROWN Yukyu no Labyrinth



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FORTUNE TRINITY Jiku no Diamond



DIMENSION 43x3



## Consolidated Business Performance

(JPY in billions)

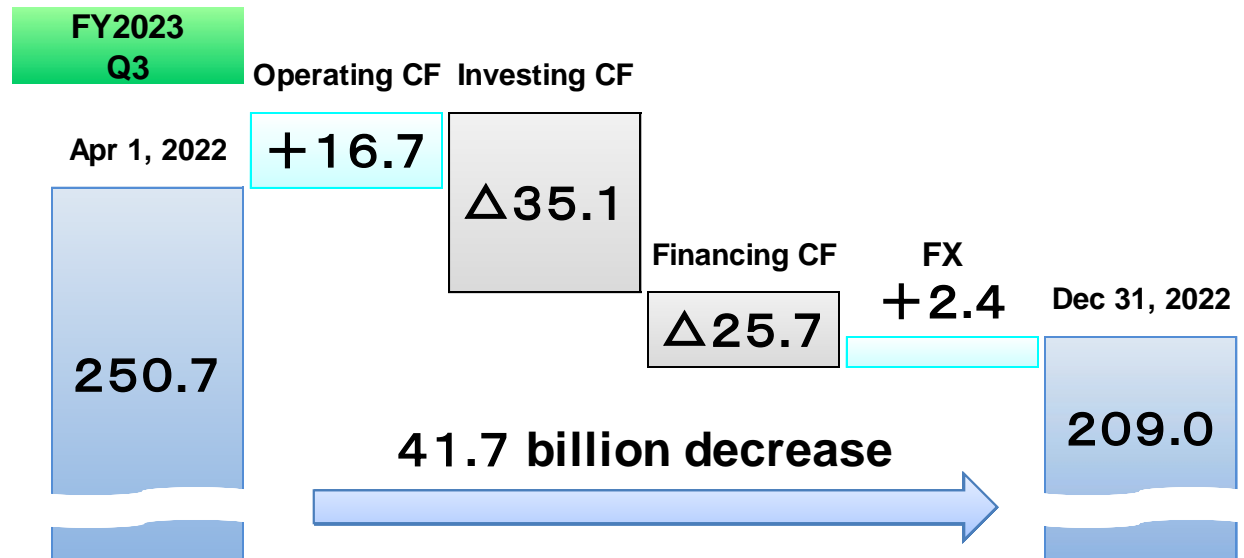
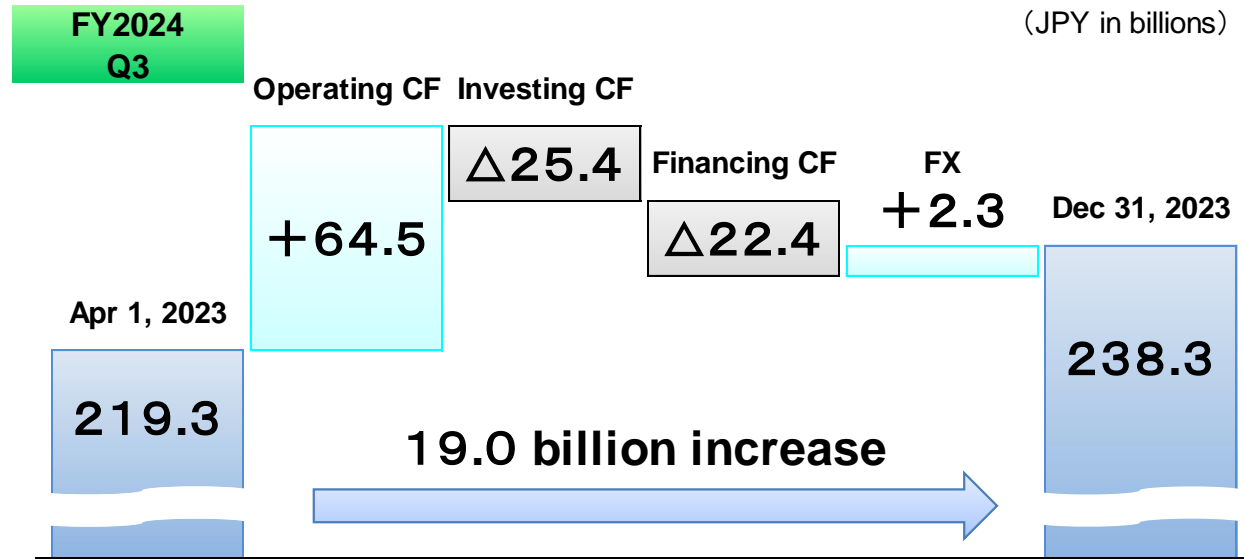
	FY2023 Q1-3	Percentile	FY2024 Q1-3	Percentile	YoY Change (Amount)	YoY Change (%)
Revenue	226.9	100.0%	253.1	100.0%	26.2	+11.6%
Total cost of revenue	△ 139.4	61.4%	△ 140.7	55.6%	△ 1.4	
SG&A	△ 46.5	20.5%	△ 49.5	19.6%	△ 3.1	
Other income and other expenses	△ 3.5	1.6%	△ 3.2	1.3%	0.3	
Operating profit	37.5	16.5%	59.6	23.6%	22.1	+58.9%
Finance income	1.3		2.0		0.7	
Finance costs	△ 0.6		△ 0.5		0.1	
Profit from investments accounted for using the equity method	0.1		0.4		0.3	
Profit before income taxes	38.4	16.9%	61.5	24.3%	23.1	+60.3%
Income taxes	△ 10.8	4.8%	△ 17.0	6.7%	△ 6.2	
Profit for the period	27.6	12.2%	44.5	17.6%	16.9	+61.4%
Profit attributable to:						
Owners of the parent	27.6	12.2%	44.5	17.6%	16.9	+61.4%
Non-controlling interests	0.0	0.0%	0.0	0.0%	0.0	

## Consolidated Financial Position

(JPY in billions)

	Mar 31, 2023	Dec 31, 2023	Change		Mar 31, 2023	Dec 31, 2023	Change
Current assets				Current liabilities			
Cash and cash equivalents	219.3	238.3	19.0	Trade and other payables	37.6	37.8	0.3
Trade and other receivables	39.3	43.7	4.5	Other current liabilities	37.5	39.7	2.1
Inventories	12.7	16.1	3.4	Total current liabilities	75.1	77.5	2.4
Other current assets	18.8	12.5	△ 6.3	Non-current liabilities			
Total current assets	290.0	310.6	20.6	Bonds and borrowings	59.8	59.9	0.0
	(53.0%)	(53.7%)		Other non-current liabilities	36.0	33.7	△ 2.4
Non-current assets				Total non-current liabilities	95.9	93.5	△ 2.3
Property, plant and equipment, net	155.8	153.8	△ 2.0	Total liabilities	170.9	171.0	0.1
Goodwill and intangible assets	49.6	60.0	10.5	Total equity attributable to	376.3	407.6	31.3
Deferred tax assets	30.2	32.1	1.9	owners of the parent	(68.8%)	(70.4%)	
Other non-current assets	21.6	22.0	0.4	(per share: JPY)	(2,775.65)	(3,006.49)	(230.84)
Total non-current assets	257.2	268.0	10.8	Non-controlling interests	0.0	0.0	0.0
	(47.0%)	(46.3%)		Total equity	376.3	407.6	31.3
Total assets	547.2	578.6	31.3	Total liabilities and equity	547.2	578.6	31.3

## Consolidated Cash Flows



THANK YOU