

## Consolidated Financial Results for the Six Months Ended September 30, 2023 (Prepared in Accordance with IFRS)

November 2, 2023

### 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: November 24, 2023

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

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2023

#### (1) Consolidated Results of Operations (Millions of Yen, except percentages and per share amounts)

	Revenue	Business profit	Operating profit	Profit before income taxes	Profit for the period	Profit attributable to owners of the parent
Six months ended September 30, 2023	153,851	35,414	35,443	37,008	26,834	26,834
% change from previous year	3.7%	38.3%	39.6%	34.7%	35.2%	35.2%
Six months ended September 30, 2022	148,359	25,611	25,396	27,479	19,847	19,847
% change from previous year	6.4%	(33.7)%	(35.1)%	(28.9)%	(28.0)%	(28.0)%

Total comprehensive income for the period: Six months ended September 30, 2023: ¥34,581 million; 22.3%

Six months ended September 30, 2022: ¥28,269 million; 1.9%

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

	Basic earnings per share (attributable to owners of the parent) (yen)	Diluted earnings per share (attributable to owners of the parent) (yen)
Six months ended September 30, 2023	197.95	197.95
Six months ended September 30, 2022	147.87	146.48

#### (2) Consolidated Financial Position

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

	Total assets	Total equity	Total equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
September 30, 2023	570,085	402,452	402,437	70.6%
March 31, 2023	547,223	376,279	376,264	68.8%

## 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, 2023	-	62.00	-	62.00	124.00
Year ending March 31, 2024	-	62.00			
Year ending March 31, 2024 (Forecast)			-	62.00	124.00

Note) Recently announced change in dividend forecasts for the fiscal year ending March 31, 2024 during the three months ended September 30, 2023: No

## 3. Consolidated Earnings Forecast for the Year Ending March 31, 2024

(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, 2024	328,000	63,000	60,000	59,000	41,000	302.45
% change from previous year	4.4%	11.3%	29.9%	25.2%	17.5%	

Note) Recently announced change in earnings forecasts for the fiscal year ending March 31, 2024 during the three months ended September 30, 2023: 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

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

(3) Number of shares issued (Share capital)

1. Number of shares issued: (Treasury shares included)
 

As of September 30, 2023	143,500,000 shares
As of March 31, 2023	143,500,000 shares
2. Number of treasury shares:
 

As of September 30, 2023	7,941,641 shares
As of March 31, 2023	7,941,177 shares
3. Average number of shares outstanding:
 

Six months ended September 30, 2023	135,558,561 shares
Six months ended September 30, 2022	134,224,059 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 8 to 10 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 November 2, 2023.

# 1. Business Performance

## (1) Analysis of Business Performance

### (1) Business Overview

For the six months ended September 30, 2023, the domestic economy is expected to continue its moderate recovery, driven by improvements in the employment and income environment, however, the situation still remains uncertain due to issues including surge in energy costs and raw material costs, the impact on the economy of tightening monetary policies around the world, concerns about the future of the Chinese economy and rising geopolitical risks.

Amidst these circumstances, in terms of the business results of Konami Group for the six months ended September 30, 2023, both total revenue and all profit categories exceeded those of the same period of the previous fiscal year mainly due to improved profit margin of core contents in the Digital Entertainment business and solid performances in the Amusement, the Gaming & Systems and the Sports businesses, respectively. Total revenue for the six months ended September 30, 2023 continued to reach a record high, following on from the first quarter ended June 30, 2023.

In terms of the consolidated results for the six months ended September 30, 2023, total revenue amounted to ¥153,851 million (a year-on-year increase of 3.7%), business profit was ¥35,414 million (a year-on-year increase of 38.3%), operating profit was ¥35,443 million (a year-on-year increase of 39.6%), profit before income taxes was ¥37,008 million (a year-on-year increase of 34.7%), and profit attributable to owners of the parent was ¥26,834 million (a year-on-year increase of 35.2%).

## (2) Performance by Business Segment

Summary of total revenue by business segment:

Millions of Yen, except percentages

	Six months ended September 30, 2022	Six months ended September 30, 2023	% change
<b>Total revenue:</b>			
Digital Entertainment	¥102,703	¥102,102	(0.6)
Amusement	7,179	10,002	39.3
Gaming & Systems	17,119	19,102	11.6
Sports	22,460	23,799	6.0
Intersegment eliminations	(1,102)	(1,154)	-
Total revenue	¥148,359	¥153,851	3.7

### 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.

Amidst these circumstances, as a new initiative for our business, we implemented a major update for *eFootball™ 2023*, which is available on home console, PC and mobile platforms, and began distribution of *eFootball™ 2024*. The more intuitive controls have been well received by players. We also began distribution of the new title *PAWAFURU PUROYAKYU Eikan Nine Cross Road*, which added new elements and modes to *Eikan Nine*—the most popular mode in the *PAWAFURU PUROYAKYU* series—and it has gotten off to a strong start. This title will be multi-platform, with the mobile version being distributed first. Furthermore, we released *SUPER BOMBERMAN R 2*, the latest in the *BOMBERMAN* series, in the computer and video game space. In addition, we have announced *Contra: Operation Galuga*, the latest entry in the *Contra* series. At the Tokyo Game Show 2023, we also made simultaneous announcements of the NFT Marketplace “Resella,” which is intended to provide services using blockchain technology to all types of customers, and the web3 project “PROJECT ZIRCON,” which allows customers to create fantasy worlds using blockchain technology, and the announcement drew the attention of the media.

As an ongoing initiative, *PROFESSIONAL BASEBALL SPIRITS A (ACE)* where we developed measures such as “Second Coming! JAPAN Selection,” in which the players of Samurai Japan who participated in the World Baseball Classic™ made a reappearance, and *Yu-Gi-Oh! MASTER DUEL*, where we celebrated 57.3 (pronounced “Konami” in Japanese) million downloads, have continued to enjoy a positive reception by many players, and are gathering momentum. Furthermore, in card games, we continued to develop a project to commemorate the 25th anniversary of Yu-Gi-Oh! card game and announced the special event “Yu-Gi-Oh! Duel Monsters: The Legend of Duelist Quarter Century,” to be held at the Tokyo Dome in February 2024, which received a great response.

In the eSports space, the eSports World Championship “Yu-Gi-Oh! World Championship 2023” was held at Tokyo Big Sight for the first time in four years to determine the world’s top duelists, which had been postponed in light of the COVID-19 pandemic and other factors. Winners and winning teams were selected in each category for *Yu-Gi-Oh! OFFICIAL CARD GAME DUEL MONSTERS* (Known overseas as *Yu-Gi-Oh! TRADING CARD GAME*), the mobile and PC game *Yu-Gi-Oh! DUEL LINKS* and for the digital card game *Yu-Gi-Oh! MASTER DUEL*, which was added this year. In addition, the semi-finals and finals of “eFootball™ Championship Open 2023 World Finals” were held at the eSports Ginza studio at the Konami Creative Center Ginza, where the players who won online qualifiers competed in heated matches.

In terms of financial performance, total revenue for the six months ended September 30, 2023 in this segment amounted to ¥102,102 million (a year-on-year decrease of 0.6%) and business profit for the six months ended September 30, 2023 amounted to ¥31,032 million (a year-on-year increase of 32.0%).

### Amusement

Both domestic and international amusement markets are gradually recovering. In addition, deregulation in the sector is creating new opportunities for growth.

Amidst these circumstances, in our medal game business, the medal pusher game *Momotaro Dentetsu - Medal game mo teiban!*-, which was released in the previous fiscal year, continues to be well-received. In video games targeted at amusement facilities, for the *QUIZ MAGIC ACADEMY* series, which is celebrating its 20th anniversary since launch, *QUIZ MAGIC ACADEMY Ogon no Michishirube* launched with a new single-player mode featuring RPG elements, in addition to visual changes to the characters, to commemorate the series' 20th anniversary. In addition, for the *jubeat* series, a music game in which players touch a panel that glows in time with the music, we launched the latest series installment, *jubeat beyond the Ave.*, with many new songs. We also strove to expand the player base for *MAH-JONG FIGHT CLUB Extreme* by implementing measures to coincide with the opening of the professional mahjong league "M League 2023-24 season" and the popular "Japan Professional Mahjong League Voting Selection Tournament 2023" event. In the prize games space, we increased the number of seats available for play, operating hours, and the number of prizes that can be won in order to allow more players to enjoy the "KONAMI ONLINE PRIZE GAME" online crane game.

In the pachinko and pachislot machine space, *Boku girls Love Kyure 2*, *MAH-JONG FIGHT CLUB KAKUSEI* and *Sengoku Collection 5: Chou Gokuraku LOOP*, Konami's first "smart pachislot" titles, began operation.

In the eSports space, the *beatmania IIDX* regular stage opened in the "BEMANI PRO LEAGUE - SEASON 3-" professional league, which combines music and eSports, with heated competition leading up to the finals in October 2023.

In terms of financial performance, total revenue for the six months ended September 30, 2023 in this segment amounted to ¥10,002 million (a year-on-year increase of 39.3%) and business profit for the six months ended September 30, 2023 amounted to ¥1,193 million (a year-on-year increase of 13.6%).

### Gaming & Systems

In the gaming market, the North American market and Australian market are growing steadily. In other regions, the markets as a whole are also moving toward recovery, especially led by Asian market.

Amidst these circumstances, in our slot machine business, the *DIMENSION* series is expanding its presence in the North American and Australian markets, where the series have won multiple awards. In terms of slot machine sales, we primarily sold *DIMENSION 27*<sup>TM</sup> and *DIMENSION 49*<sup>TM</sup>. In the area of participation (revenue share business), we are expanding the introduction of *DIMENSION 75C*<sup>TM</sup> featuring a 75-inch curved monitor. In terms of gaming content, *All Aboard*<sup>TM</sup> has recorded industry-leading operation continuously. Other titles have also been very well-received in the market such as *Dragon's Law*<sup>TM</sup>, which allows players to enjoy effects featuring colorful dragons, and *Stuffed Coins*<sup>TM</sup>, which features a rotating animation across the top screens of connected machines, following on and advanced from the features of *Ocean Spin*<sup>TM</sup>, which has long been popular in the market.

In the casino management system, we introduced a variety of functionality which will enhance and strengthen our product appeal including *Money Klip*<sup>TM</sup> which made cashless casinos possible, maintaining the strong performance.

In terms of financial performance, total revenue for the six months ended September 30, 2023 in this segment amounted to ¥19,102 million (a year-on-year increase of 11.6%) and business profit for the six months ended September 30, 2023 amounted to ¥3,117 million (a year-on-year increase of 55.7%).

## Sports

In the sports market, rising energy prices continue to impact on business environment. Meanwhile, demands for sport and health promotion is growing due to the normalization of social and economic activities in Japan.

Amidst these circumstances, in our operation of sports clubs, we have continued to provide opportunities for exercise to more customers by expanding both the use of facilities and online lesson services. In response to popular demand, we have also expanded the number of facilities with servers that offer supplements, which makes it easy for users to consume protein and other beverages at any time in the facility, pre- and post-workout. In addition, the resumption of large-scale “REVIVAL” events utilizing popular studio programs at venues throughout Japan and other initiatives, which had been postponed at directly managed facilities due to COVID-19 behavioral restrictions, have resulted in a great deal of excitement. We will continue promoting initiatives to provide better support for the physical fitness of our members. For the “Undo Juku” exercise circle aimed at children, we are developing a variety of options to suit children, including swimming, gymnastics and dance, to encourage physical growth through sport. In addition to the five facilities we opened the swimming school in April 2023, we opened six new facilities in Kitahama and Shinsaibashi (Osaka City, Osaka), Kitaoji (Kyoto City, Kyoto), Kobe and Sannomiya (Kobe City, Hyogo), and Fukuoka Tenjin (Fukuoka City, Fukuoka) in September 2023. We also launched “Digital Note swimming school for adults,” a customized version of “Undo Juku Digital Note” which utilizes video and AI to improve the effectiveness of training, as a program for adults at 36 Konami Sports Clubs nationwide.

For “Pilates Mirror,” Pilates studios with mirrors on the ceiling, we opened five new studios, “Pilates Mirror Musashi-Koyama” (Shinagawa-ku, Tokyo), “Pilates Mirror Ookayama” (Ota-ku, Tokyo), “Pilates Mirror Sangen-Jaya” and “Pilates Mirror Chitose-Funabashi” (Setagaya-ku, Tokyo), and “Pilates Mirror Motosumiyoshi” (Kawasaki City, Kanagawa) during the three months ended September 30, 2023, bringing the total to 14. “Pilates Mirror” has been well received by many customers, with some of the studios having waiting lists for membership.

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 Tsugaru City, Aomori, Saitama City, Saitama, Asahi City, Chiba, Toshima-ku, Tokyo and Gifu City, Gifu.

In regard to growing school needs for outsourcing of swimming classes, we are providing swimming instruction services at many elementary and junior high schools throughout Japan, which have been well received.

In terms of financial performance, total revenue for the six months ended September 30, 2023 in this segment amounted to ¥23,799 million (a year-on-year increase of 6.0%) and business profit for the six months ended September 30, 2023 amounted to ¥1,600 million (a year-on-year increase of 219.4%).

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, 2024

### 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 major new titles to be released for the future, we are planning *METAL GEAR SOLID: MASTER COLLECTION Vol.1*, the first installment of a collection that will mark the trajectory of the *METAL GEAR* series; *Momotaro Dentetsu World -Chikyu wa Kibou de Mawatteru!-*, the latest installment of the nationally popular board game series *Momotaro Dentetsu*, which celebrates its 35th anniversary this year; *Super Crazy Rhythm Castle*, a new rhythm and puzzle action-adventure game; and *CYGNI: All Guns Blazing*, a new vertical-scrolling shooter game. In addition, we will begin streaming *SILENT HILL: Ascension*, an interactive streaming series with viewer participation based on the *SILENT HILL* worldview, as a collaborative initiative.

As for ongoing efforts, we are working diligently on *METAL GEAR SOLID Δ: SNAKE EATER*, which faithfully recreates the story, characters, and game design of *METAL GEAR SOLID 3 SNAKE EATER*, one of the most beloved entries in the *METAL GEAR* series, and updates its graphical style to modern graphics for the current generation, as well as remakes and completely new entries in the *SILENT HILL* series, which gained popularity as a psychological horror game.

In the eSports space, we have launched online prefectural qualifiers for the “eFootball™” series, the game in which players will compete for the “National Prefectural eSports Championship 2023 KAGOSHIMA.” This year’s “eFootball™” series division will be even more exciting, since it will also serve to select the Japanese representatives for the “eSports Championships East Asia,” which is scheduled to be held in Korea in December 2023. The “eBASEBALL Prospi A (Ace) League” 2023 season, which will be held jointly with the Nippon Professional Baseball Organization (NPB), will begin in November 2023, and the eJapan Series in December 2023 will determine the number one team in Japan. 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 begin the operation of *ELDORA CROWN Yukyu no Labyrinth*, the latest in the *ELDORA CROWN* series, in which players develop their kingdoms while conquering dungeons, and *FORTUNE TRINITY Jiku no Diamond*, the latest in the *FORTUNE TRINITY* series, which features a lavishly redesigned presentation and cabinet and a theme of great adventures throughout the ages. In the prize game space, we will leverage Konami's IP assets for the booming prize game market, and roll out very popular content as amusement prizes to amusement facilities nationwide.

In the eSports tournament "BEMANI PRO LEAGUE -SEASON 3-," the competition will open with *SOUND VOLTEX* as the competition title, following the very exciting *beatmania IIDX* event. We are committed to adding to the excitement of the *BEMANI* series.

In the pachinko and pachislot machine space, we will release *Magical Halloween 8*, a complete reproduction in a smart slot machine format of the long-running and popular *Magical Halloween 5* in the *Magical Halloween* series. In addition, the popular *Busou Shinki* content, which has been widely developed as a mix of media via figures, animation, and games, will appear as a pachislot machine.

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 the gaming market, the Global Gaming Expo (hereinafter, G2E), the largest event in the industry, was held in October 2023. We exhibited new slot machines, content, and casino management systems, which drew the attention of customers.

In our slot machine business, we will further expand our lineup of the highly acclaimed *DIMENSION* series of slot machines in the market with the launch of *DIMENSION 43x3™*, which new machine features a combination of three 43-inch monitors. In our gaming contents, we will continue to expand our contents such as popular *All Aboard™* and *Dragon's Law™*. Furthermore, we are developing new contents, that were also exhibited at G2E, including *UnWooly Riches™*, which offers two different themes based on original sheep and goat characters. We will strive to improve the value of the *DIMENSION* series by developing new content.

For the casino management system *SYNKROS®*, it has been well received from customers and was newly decided to be adopted for a large-scale IR facility to be opened in Las Vegas. In addition, we plan to introduce various new features, including *Konetic™*, a mobile app which streamlines operations at casino facilities, and "*SYNK Vision*," which will identify players in casino facilities using state-of-the-art facial recognition technology. We aim to expand our market share by proceeding with the development of various functions that utilize cutting-edge technologies to meet the needs of our customers.

## Sports

For the operation of sports clubs, we will continue striving to improve our services in order to be able to provide more people with exercise opportunities through initiatives such as holding various events utilizing our popular studio programs.

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 providing “Undo Juku Digital Note.” In October 2023, we introduced a basketball school, which has been gaining momentum in Japan in recent years, on a trial basis. We will support children’s desires to get better and level up their skills by utilizing gymnasiums and other spaces in our facilities, and by providing guidance by our experienced and knowledgeable staff.

For “Pilates Mirror,” Pilates studios with mirrors on the ceiling, during and after the three months ending December 31, 2023, we will open eight Pilates Mirror studios, “Pilates Mirror Asagaya” (Suginami-ku, Tokyo), “Pilates Mirror Sasazuka” (Shibuya-ku, Tokyo), “Pilates Mirror Omori” (Ota-ku, Tokyo), “Pilates Mirror Seijogakuen-mae” (Setagaya-ku, Tokyo), “Pilates Mirror Musashi-Sakai” (Musashino City, Tokyo), “Pilates Mirror Center Minami” and “Pilates Mirror Aobadai” (Yokohama City, Kanagawa), and “Pilates Mirror Saginuma” (Kawasaki City, Kanagawa). We plan to increase the number of studios so that more customers can experience the “Pilates Mirror.”

In the outsourced school swimming classes, we will continue to increase the number of schools we work with in order to solve various problems they face, improve children's swimming skills and physical fitness, and enhance the swimming environment.

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

Projected consolidated results for the fiscal year ending March 31, 2024 are as follows: total revenue of ¥328,000 million; business profit of ¥63,000 million; operating profit of ¥60,000 million; profit before income tax of ¥59,000 million; and profit attributable to owners of the parent of ¥41,000 million. Thus, there is no change from the forecast figures released in the “Consolidated Financial Results for the Year Ended March 31, 2023” dated May 11, 2023.

### 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, 2023	As of September 30, 2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	¥219,263	¥236,105
Trade and other receivables	39,276	33,001
Inventories	12,705	14,730
Income tax receivables	9,486	1,497
Other current assets	9,311	13,022
<b>Total current assets</b>	<b>290,041</b>	<b>298,355</b>
<b>Non-current assets</b>		
Property, plant and equipment, net	155,788	156,438
Goodwill and intangible assets	49,553	61,180
Investments accounted for using the equity method	3,239	3,411
Other investments	1,890	1,924
Other financial assets	15,001	15,719
Deferred tax assets	30,220	31,455
Other non-current assets	1,491	1,603
<b>Total non-current assets</b>	<b>257,182</b>	<b>271,730</b>
<b>Total assets</b>	<b>547,223</b>	<b>570,085</b>
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Other financial liabilities	8,751	8,994
Trade and other payables	37,558	34,290
Income tax payables	9,760	8,372
Other current liabilities	19,025	20,938
<b>Total current liabilities</b>	<b>75,094</b>	<b>72,594</b>
<b>Non-current liabilities</b>		
Bonds and borrowings	59,819	59,840
Other financial liabilities	23,050	22,188
Provisions	10,031	9,885
Deferred tax liabilities	1,141	1,256
Other non-current liabilities	1,809	1,870
<b>Total non-current liabilities</b>	<b>95,850</b>	<b>95,039</b>
<b>Total liabilities</b>	<b>170,944</b>	<b>167,633</b>
<b>Equity</b>		
Share capital	47,399	47,399
Share premium	78,144	78,144
Treasury shares	(21,594)	(21,597)
Other components of equity	11,880	19,627
Retained earnings	260,435	278,864
Total equity attributable to owners of the parent	376,264	402,437
Non-controlling interests	15	15
<b>Total equity</b>	<b>376,279</b>	<b>402,452</b>
<b>Total liabilities and equity</b>	<b>¥547,223</b>	<b>¥570,085</b>

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

### Quarterly Condensed Consolidated Statement of Profit or Loss

	Millions of Yen	
	Six months ended September 30, 2022	Six months ended September 30, 2023
Revenue		
Product sales revenue	¥51,463	¥48,869
Service and other revenue	96,896	104,982
Total revenue	148,359	153,851
Cost of revenue		
Cost of product sales revenue	(25,746)	(23,645)
Cost of service and other revenue	(66,007)	(63,402)
Total cost of revenue	(91,753)	(87,047)
Gross profit	56,606	66,804
Selling, general and administrative expenses	(30,995)	(31,390)
Other income and other expenses, net	(215)	29
Operating profit	25,396	35,443
Finance income	2,355	1,667
Finance costs	(381)	(331)
Profit from investments accounted for using the equity method	109	229
Profit before income taxes	27,479	37,008
Income taxes	(7,632)	(10,174)
Profit for the period	19,847	26,834
Profit attributable to:		
Owners of the parent	19,847	26,834
Non-controlling interests	¥0	¥0

	Yen	
	Six months ended September 30, 2022	Six months ended September 30, 2023
Earnings per share (attributable to owners of the parent)		
Basic	¥147.87	¥197.95
Diluted	¥146.48	¥197.95

## Quarterly Condensed Consolidated Statement of Comprehensive Income

	Millions of Yen	
	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit for the period	¥19,847	¥26,834
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	36	24
Total items that will not be reclassified to profit or loss	36	24
Items that may be reclassified to profit or loss:		
Exchange differences on foreign operations	8,386	7,723
Total items that may be reclassified to profit or loss	8,386	7,723
Total other comprehensive income	8,422	7,747
<b><i>Total comprehensive income for the period</i></b>	<b>28,269</b>	<b>34,581</b>
Comprehensive income attributable to:		
Owners of the parent	28,269	34,581
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		
<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					19,847	19,847	0	19,847
Other comprehensive income				8,422		8,422		8,422
Total comprehensive income for the period	-	-	-	8,422	19,847	28,269	0	28,269
Purchase of treasury shares			(7)			(7)		(7)
Dividends					(11,621)	(11,621)		(11,621)
Conversion of convertible bond-type bonds with subscription rights to shares		3,017	5,113			8,130		8,130
Transfer from other components of equity to retained earnings				240	(240)	-		-
Total transactions with the owners	-	3,017	5,106	240	(11,861)	(3,498)	-	(3,498)
<b>Balance at September 30, 2022</b>	¥47,399	¥78,044	¥(21,762)	¥15,363	¥253,788	¥372,832	¥15	¥372,847

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, 2023</b>	¥47,399	¥78,144	¥(21,594)	¥11,880	¥260,435	¥376,264	¥15	¥376,279
Profit for the period					26,834	26,834	0	26,834
Other comprehensive income				7,747		7,747		7,747
Total comprehensive income for the period	-	-	-	7,747	26,834	34,581	0	34,581
Purchase of treasury shares			(3)			(3)		(3)
Disposal of treasury shares		0	0			0		0
Dividends					(8,405)	(8,405)		(8,405)
Total transactions with the owners	-	0	(3)	-	(8,405)	(8,408)	-	(8,408)
<b>Balance at September 30, 2023</b>	¥47,399	¥78,144	¥(21,597)	¥19,627	¥278,864	¥402,437	¥15	¥402,452

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

	Millions of Yen	
	Six months ended September 30, 2022	Six months ended September 30, 2023
<b><i>Operating activities</i></b>		
Profit for the period	¥19,847	¥26,834
Depreciation and amortization	12,986	9,444
Impairment losses	188	54
Interest and dividends income	(113)	(571)
Interest expense	364	317
Loss on sale or disposal of property, plant and equipment	19	6
Profit from investments accounted for using the equity method	(109)	(229)
Income taxes	7,632	10,174
Decrease in trade and other receivables	4,036	8,465
Increase in inventories	(3,459)	(971)
Decrease in trade and other payables	(5,604)	(3,427)
Increase in prepaid expense	(2,446)	(2,542)
(Decrease) increase in contract liabilities	(1,452)	1,178
Other, net	(151)	(1,292)
Interest and dividends received	113	566
Interest paid	(329)	(295)
Income taxes paid	(18,742)	(4,591)
<b><i>Net cash provided by operating activities</i></b>	<b>12,780</b>	<b>43,120</b>
<b><i>Investing activities</i></b>		
Capital expenditures	(25,225)	(18,350)
Payments for lease deposits	(134)	(65)
Proceeds from refunds of lease deposits	834	230
Other, net	93	1
<b><i>Net cash used in investing activities</i></b>	<b>(24,432)</b>	<b>(18,184)</b>
<b><i>Financing activities</i></b>		
Principal payments of lease liabilities	(3,869)	(3,718)
Dividends paid	(11,606)	(8,399)
Other, net	(7)	(3)
<b><i>Net cash used in financing activities</i></b>	<b>(15,482)</b>	<b>(12,120)</b>
Effect of exchange rate changes on cash and cash equivalents	4,706	4,026
Net (decrease) increase in cash and cash equivalents	(22,428)	16,842
Cash and cash equivalents at the beginning of the period	250,711	219,263
<b><i>Cash and cash equivalents at the end of the period</i></b>	<b>¥228,283</b>	<b>¥236,105</b>

## (5) Going Concern Assumption

None

## (6) Segment Information

### (i) Operating Segment Information

For the six months ended September 30, 2022

Millions of Yen

	Reportable segments					Intersegment eliminations	Consolidated
	Digital Entertainment	Amusement	Gaming & Systems	Sports	Total		
Revenue							
External customers	¥102,390	¥6,437	¥17,080	¥22,452	¥148,359	-	¥148,359
Intersegment	313	742	39	8	1,102	¥(1,102)	-
Total	102,703	7,179	17,119	22,460	149,461	(1,102)	148,359
Business profit	¥23,503	¥1,050	¥2,001	¥501	¥27,055	¥(1,444)	25,611
Other income and other expenses, net	-	-	-	-	-	-	(215)
Operating profit	-	-	-	-	-	-	25,396
Finance income and finance costs, net	-	-	-	-	-	-	1,974
Profit from investments accounted for using the equity method	-	-	-	-	-	-	109
Profit before income taxes	-	-	-	-	-	-	¥27,479



For the six months ended September 30, 2023

Millions of Yen

	Reportable segments					Intersegment eliminations	Consolidated
	Digital Entertainment	Amusement	Gaming & Systems	Sports	Total		
Revenue							
External customers	¥101,768	¥9,266	¥19,036	¥23,781	¥153,851	-	¥153,851
Intersegment	334	736	66	18	1,154	¥(1,154)	-
Total	102,102	10,002	19,102	23,799	155,005	(1,154)	153,851
Business profit	¥31,032	¥1,193	¥3,117	¥1,600	¥36,942	¥(1,528)	35,414
Other income and other expenses, net	-	-	-	-	-	-	29
Operating profit	-	-	-	-	-	-	35,443
Finance income and finance costs, net	-	-	-	-	-	-	1,336
Profit from investments accounted for using the equity method	-	-	-	-	-	-	229
Profit before income taxes	-	-	-	-	-	-	¥37,008

(Notes)

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

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

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

4. Other income and other expenses, net include impairment losses on property, plant and equipment and goodwill and intangible assets and profit or loss of sales and disposal on property, plant and equipment.

**(ii) Geographic Information**

Revenue from external customers

	Millions of Yen	
	Six months ended September 30, 2022	Six months ended September 30, 2023
<b>Revenue:</b>		
Japan	¥97,991	¥105,998
United States	33,308	29,794
Europe	9,297	9,819
Asia/Oceania	7,763	8,240
Consolidated	¥148,359	¥153,851

(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.