

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

October 28, 2024

Company name: KOEI TECMO HOLDINGS CO., LTD.

Listing: Tokyo

Securities code: 3635

URL: <https://www.koeitecmo.co.jp/>

Representative: Yoichi Erikawa

President & CEO (Representative Director)

Inquiries: Kenjiro Asano

Director, Senior Executive Officer & CFO

Telephone: +81-45-562-8111

Scheduled date to file semi-annual securities report: November 11, 2024

Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2024	35,197	(11.4)	10,651	(23.1)	21,000	(9.5)	15,975	(4.9)
September 30, 2023	39,722	14.3	13,855	(24.4)	23,201	31.3	16,795	23.1

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 13,021 million [(44.2)%]
Six months ended September 30, 2023: ¥ 23,317 million [415.7%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	50.58	47.09
September 30, 2023	53.24	49.55

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2024	241,584	171,611	70.7	540.81
March 31, 2024	245,802	175,552	71.1	553.59

(Reference) Equity: As of September 30, 2024: ¥ 170,808 million
As of March 31, 2024: ¥ 174,844 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	0.00	-	54.00	54.00
Fiscal year ending March 31, 2025	-	0.00			
Fiscal year ending March 31, 2025 (Forecast)			-	48.00	48.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	90,000	6.4	30,000	5.3	40,000	(12.6)	30,000	(11.2)	95.04

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

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

Newly included: - (Company name:)

Excluded: - (Company name:)

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2024: 336,096,924 shares

March 31, 2024: 336,096,924 shares

2) Number of treasury shares at the end of the period:

September 30, 2024: 20,259,760 shares

March 31, 2024: 20,258,636 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024: 315,837,784 shares

Six months ended September 30, 2023: 315,472,029 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

Semi-annual Consolidated Financial Statements

Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	11,702	41,733
Accounts receivable - trade, and contract assets	15,041	11,227
Securities	58,393	32,846
Merchandise and finished goods	50	155
Work in process	104	51
Raw materials and supplies	100	96
Other	7,561	5,436
Allowance for doubtful accounts	(1)	(2)
Total current assets	92,951	91,543
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,760	19,934
Land	14,624	14,619
Construction in progress	366	209
Other, net	1,725	1,924
Total property, plant and equipment	36,477	36,688
Intangible assets		
Other	231	207
Total intangible assets	231	207
Investments and other assets		
Investment securities	106,590	102,802
Deferred tax assets	933	1,606
Retirement benefit asset	4,466	4,809
Other	4,833	4,624
Allowance for doubtful accounts	(681)	(699)
Total investments and other assets	116,141	113,144
Total non-current assets	152,851	150,040
Total assets	245,802	241,584

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,046	1,261
Short-term borrowings	-	9,000
Current portion of convertible-bond-type bonds with share acquisition rights	46,536	46,134
Accounts payable - other	7,459	3,797
Income taxes payable	6,538	3,116
Provision for bonuses	1,730	1,662
Provision for bonuses for directors (and other officers)	259	157
Other	5,358	3,651
Total current liabilities	68,928	68,780
Non-current liabilities		
Deferred tax liabilities	391	144
Other	930	1,048
Total non-current liabilities	1,322	1,192
Total liabilities	70,250	69,973
Net assets		
Shareholders' equity		
Share capital	15,000	15,000
Capital surplus	27,428	27,428
Retained earnings	163,070	161,990
Treasury shares	(37,765)	(37,767)
Total shareholders' equity	167,733	166,651
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,157	1,473
Revaluation reserve for land	(3,115)	(3,114)
Foreign currency translation adjustment	4,792	4,573
Remeasurements of defined benefit plans	1,275	1,224
Total accumulated other comprehensive income	7,110	4,156
Share acquisition rights	707	803
Total net assets	175,552	171,611
Total liabilities and net assets	245,802	241,584

Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income (For the six months)

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	39,722	35,197
Cost of sales	14,902	14,603
Gross profit	24,820	20,593
Selling, general and administrative expenses	10,964	9,941
Operating profit	13,855	10,651
Non-operating income		
Interest income	5,809	9,942
Dividend income	282	320
Gain on sale of investment securities	6,750	1,090
Gain on redemption of securities	-	3,275
Gain on valuation of derivatives	7,334	1,081
Foreign exchange gains	546	-
Other	53	129
Total non-operating income	20,777	15,840
Non-operating expenses		
Loss on valuation of investment securities	436	392
Loss on sale of investment securities	8,625	0
Loss on redemption of securities	2,018	1,699
Loss on valuation of derivatives	40	2,151
Foreign exchange losses	-	1,054
Other	311	194
Total non-operating expenses	11,431	5,492
Ordinary profit	23,201	21,000
Profit before income taxes	23,201	21,000
Income taxes - current	6,591	5,118
Income taxes - deferred	(185)	(92)
Total income taxes	6,405	5,025
Profit	16,795	15,975
Profit attributable to owners of parent	16,795	15,975

Semi-annual Consolidated Statements of Comprehensive Income (For the six months)

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	16,795	15,975
Other comprehensive income		
Valuation difference on available-for-sale securities	5,236	(2,683)
Revaluation reserve for land	-	0
Foreign currency translation adjustment	1,277	(219)
Remeasurements of defined benefit plans, net of tax	8	(51)
Total other comprehensive income	6,522	(2,953)
Comprehensive income	23,317	13,021
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	23,317	13,021