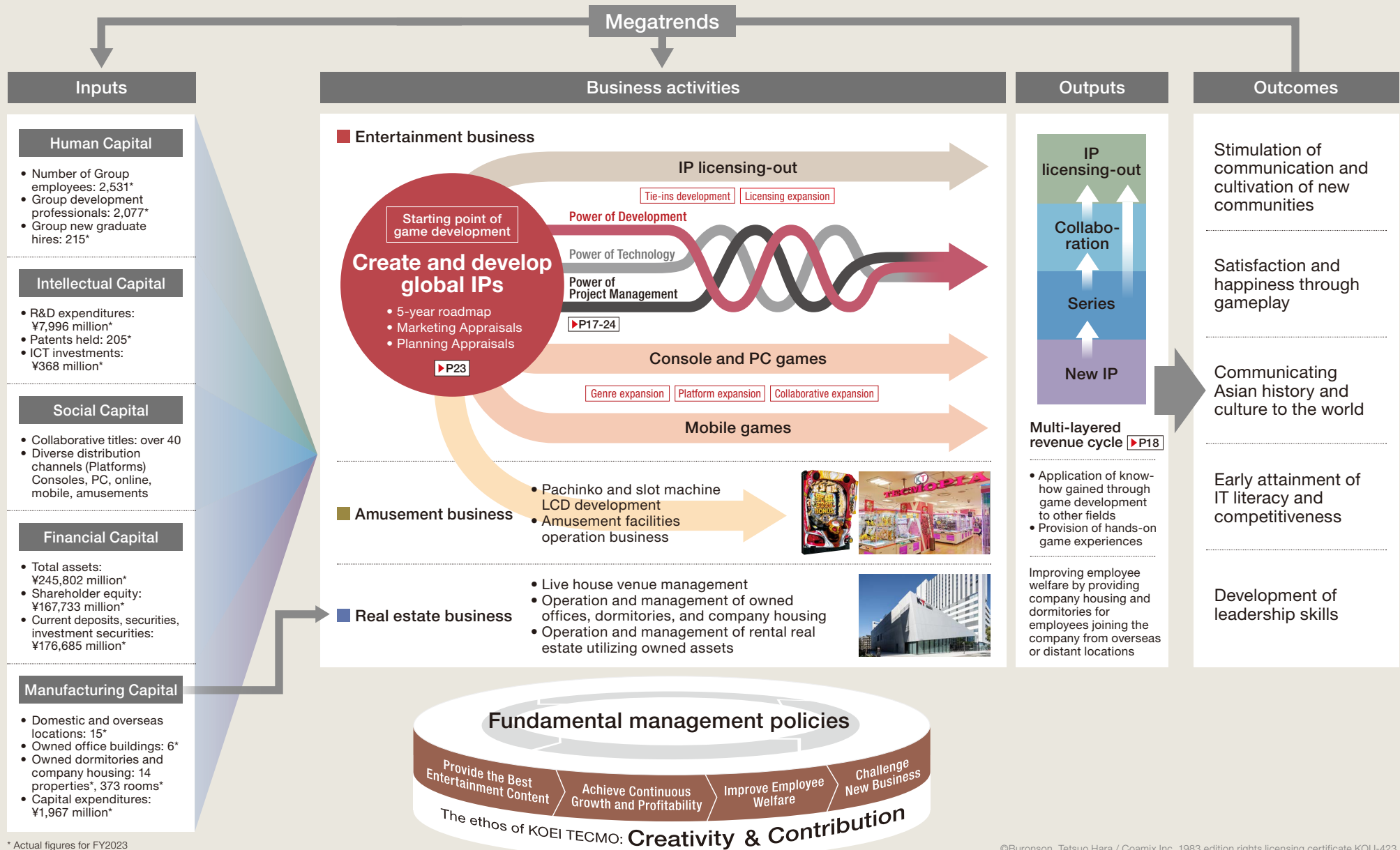
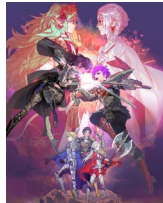



KOEI TECMO aims to maximize outcomes for its stakeholders and achieve sustainable growth through business activities ensuring thorough compliance with quality, delivery timelines, and budget by leveraging its superior development, technology, and management capabilities, with a particular focus on human capital.



* Actual figures for FY2023

Capital	Importance to the KOEI TECMO Group	Management capital results *FY2023 results	Initiatives for further strengthening
Human Capital	<ul style="list-style-type: none"> Hire and develop human capital toward realizing our Vision Assure profitability through a balance of creators and businesspeople 	<ul style="list-style-type: none"> Number of group employees 2,531* Number of group development staff 2,077* Number of group new graduates hired 215* Number of foreign employees 747* 	<ul style="list-style-type: none"> Ensure a diverse pool of talent, with a focus on new graduates A human resource development system driving growth Build an internal environment where employees can work with peace of mind Realize health management Improve engagement <p>▶ P35-39</p>
Intellectual Capital	<ul style="list-style-type: none"> Realize high growth potential and profitability through the creation and development of global IP Protect and strengthen the intellectual property rights of our global IPs that is essential for our business model of IP licensing-out within our multi-layered revenue cycle, which is our strength Ensure a degree of development freedom by expanding patent rights 	<ul style="list-style-type: none"> Number of titles released/in operation 22 titles* ▶ P32 R&D expenditures: ¥7.996 billion* Number of patents held: 205* ICT investment: ¥368 million* Abundant IP portfolio: over 200 ▶ P19 	<ul style="list-style-type: none"> Create global IP Encourage the acquisition of rights such as patents and trademarks Provide incentives based on compensation and reward systems for inventors Make resolute responses to third-party infringement cases Rapidly remove infringements on the Internet
Social Capital	<ul style="list-style-type: none"> Implement collaboration strategy for cooperative work with leading IPs of other companies Eliminate information asymmetry with shareholders and investors by providing appropriate information 	<ul style="list-style-type: none"> Number of collaboration titles: over 40 in total Wide range of distribution channels (platforms): consoles/PC, online/mobile, amusement Number of individual meetings with investors: 160* 	<ul style="list-style-type: none"> Collaborate with leading IPs of other companies Promote collaboration with other companies in the same industry Strengthen dialogue with each stakeholder <p>▶ P40</p> <p>"Fire Emblem Warriors: Three Hopes," a collaboration with Nintendo Co., Ltd. And INTELLIGENT SYSTEMS CO., LTD., was a hit*</p> 
Financial Capital	<ul style="list-style-type: none"> Secure capital for covering long-term development and large development costs Secure surplus funds to maintain an environment where employees can work with peace of mind in the entertainment business that is characterized by volatility 	<ul style="list-style-type: none"> Total assets: ¥245.802 billion * Shareholders' equity: ¥167.733 billion* Cash and deposits, marketable securities, and investment securities: ¥176.685 billion* ROE: 21.3% * 	<ul style="list-style-type: none"> Secure stable available funds: secure several years of employment costs Profit management for in-house development projects: ensure an operating profit ratio of 30% Pursue sound management: adopted an accounting policy that has recorded development costs as incurred for over 40 years <p>▶ P28-30</p>
Manufacturing Capital	<ul style="list-style-type: none"> Assure environments in which employees can work with peace of mind without worrying and uncertainty about having a place to live by using real estate such as company-owned dormitories and company housing for single employees. Contribute to the growth of human capital Optimize the development environment and strengthen information security 	<ul style="list-style-type: none"> Number of domestic and overseas bases: 15* Owned office buildings: 6* Owned dormitories and company housing for single employees: 14 properties* 373 rooms* Capital expenditures: ¥1.967 billion* 	<ul style="list-style-type: none"> Secure a sufficient number of rooms in single-employee dormitories and company housing near our offices to accommodate the number of new-graduate employees each year Realize an environment where employees can focus on their work by eliminating concerns about rental contracts and other related matters Adopt designs that optimize the development environment and security system in company-owned offices 

KOEI TECMO has three business segments: Entertainment, Amusement, and Real Estate. In particular, for game development projects in the Entertainment business segment, we operate a multifaceted business in cooperation with other companies.

