



FY Sep.2022 / 3Q Results

2022.8.3



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01 Overview of Results



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Overview of Results

Business Results

- It was a period of preparation for the 4Q anniversary, but performance was steady.

Sales: ¥7.4 billion (QoQ▲10.2%)

Operating Profit: ¥0.7 billion (QoQ▲44.8%)

Entertainment Business

- FY14 including “Shironeko Project” was steady.

Sales: ¥7.4 billion (QoQ▲6.9%)

Operating Profit: ¥0.8 billion (QoQ▲23.6%)

Investment and Development Business

- New and additional investments were made in five cases. There were no sales of operational investment securities.

Sales: ¥0.01 billion (QoQ▲95.8%)

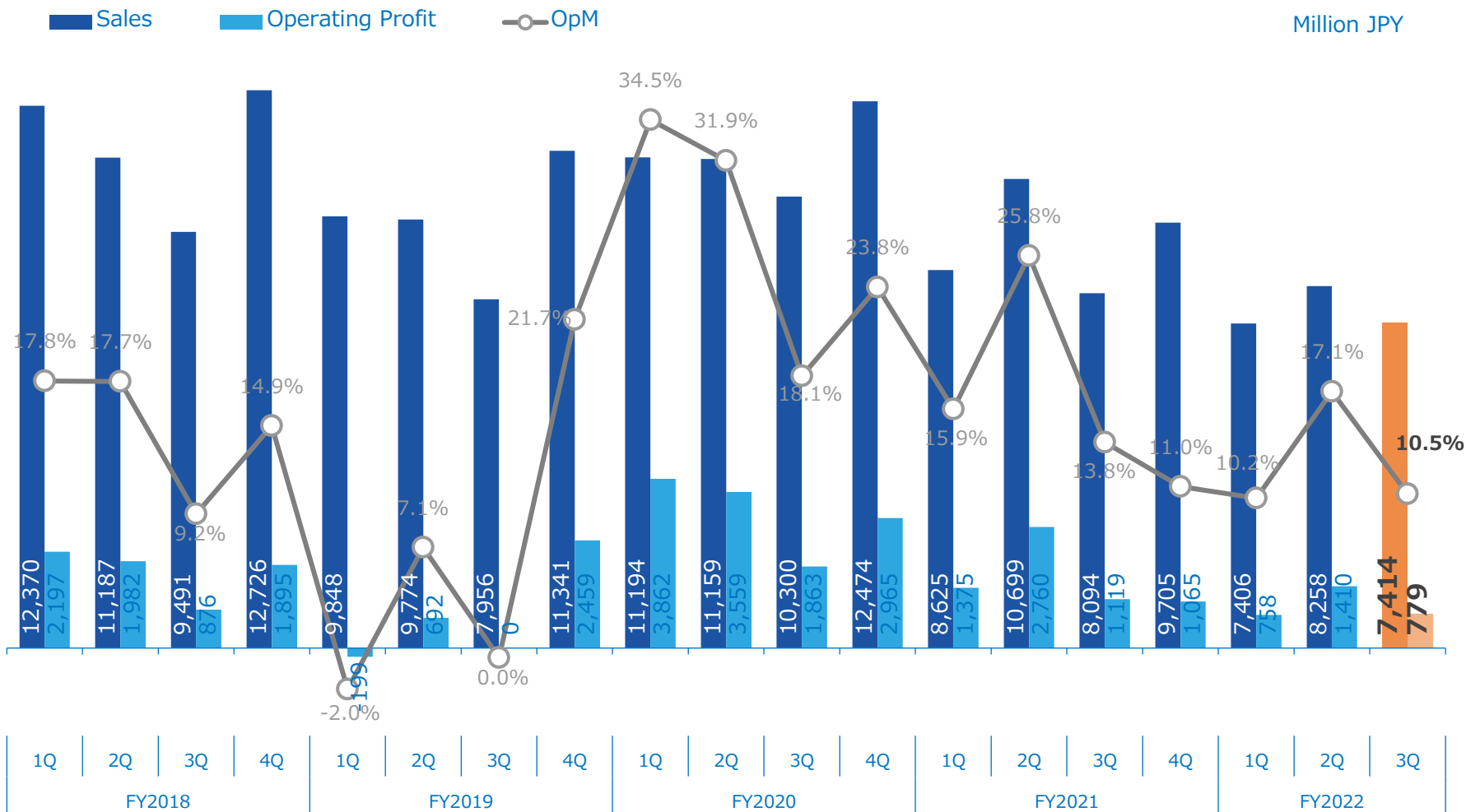
Operating Profit: ▲¥0.1 billion (QoQ -)

TOPICS

- “Shironeko Project” celebrated its 8th anniversary on July 14!
- The science ADV series “ANONYMOUS;CODE” was released on July 28!
- Mobidays, Inc., in which we have invested, was listed on KOSDAQ on June 8.

Revenue Transition

Sales **¥7.4** billion (QoQ: ▲10.2%), Operating profit **¥0.7** billion (QoQ: ▲44.8%)



*There are some differences in calculation due to rounding down of less than one million yen and rounding off.
 *Sales of "DRAGON QUEST WALK" and "Tales of Luminaria" are recorded on a net basis (revenue sharing).

Profit and Loss Statement

Millon JPY	FY2021/3Q (Apr-Jun 2021)	FY2022/3Q (Apr-Jun 2022)	YoY
Sales	8,094	7,414	-8.4%
Expenses	6,975	6,635	-4.9%
Operating profit	1,119	779	-30.4%
Ordinary Profit	1,311	<u>1,364</u>	+4.1%
Profit before income taxes	-1,988	1,364	—
Profit	-1,457	<u>971</u>	—

*There are some differences in calculation due to rounding down of less than one million yen and rounding off.

*Sales of "DRAGON QUEST WALK" and "Tales of Luminaria" are recorded on a net basis (revenue sharing).

Million JPY	End of FY2021/4Q (End of Sep 2021)	End of FY2022/3Q (End of Jun 2022)	VS FY2021/4Q
Current assets	74,430	75,337	+1.2%
Cash and deposits	58,871	59,857	+1.7%
Operational investment securities	7,591	9,604	+26.5%
Non-current assets	6,384	6,985	+9.4%
Total assets	80,814	82,322	+1.9%
Current liabilities	4,922	5,006	+1.7%
Non-current liabilities	141	750	+431.7%
Net assets	75,751	76,566	+1.1%
Share capital	6,556	6,587	+0.5%

*There are some differences in calculation due to rounding down of less than one million yen and rounding off.



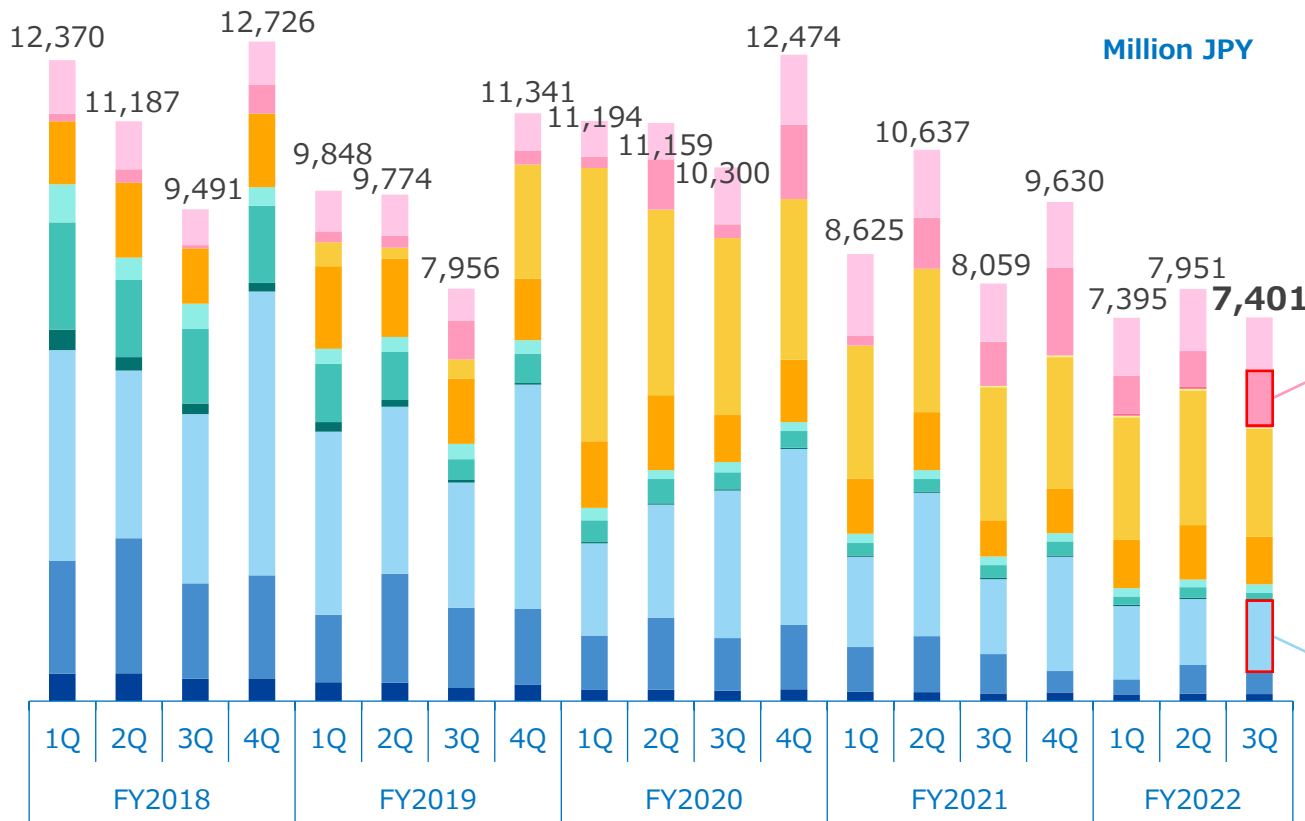
Entertainment Business



Entertainment Business: Quarterly Sales Transition



Sales **¥7.4 billion** (QoQ : ▲6.9%)



■ FY2012: Treasure Detective CARRIE, Pro Baseball PRIDE

■ FY2015: Tokyo Casino Project

■ FY2018: Disney TSUMTUM LAND, Alice Gear Aegis

■ FY2022: TALES OF LUMINARIA

■ FY2013: Quiz RPG, The Blue Sky of Sanguozhi

■ FY2016: Shironeko Tennis

■ FY2019: DRAGON QUEST WALK

■ Console (In-house Operation, Entrusted Development etc)

■ FY2014: Meow Meow Star Acres, Shironeko Project

■ FY2017: Pro Baseball VS

■ FY2021: YOU GENERATION

■ Others (Overseas, Our IP Operation and Merchandise, XR etc)

*Some collaboration projects with other companies are calculated in net revenue (shared revenue portion).

*Sales of smartphone app titles operated by COLOPL's group companies under outsourcing contracts from COLOPL are divided among fiscal years.

Collaborations with popular IPs were conducted for each title.

“Shironeko Project” × “Sword Art Online”



- ✓ We collaborated for the second time with the TV anime "Sword Art Online," whose original paperback series has sold more than 30 million copies worldwide.

“Alice Gear Aegis” × “DOAXVV*”



- ✓ We collaborated again with “DOAXVV*”, a PC game that was ranked No.1 in the DMM GAMES popular game ranking.

The DRAGON QUEST VIII event was held to commemorate "DRAGON QUEST Day" on May 27.

"DRAGON QUEST WALK" × "DRAGON QUEST VIII"



- ✓ We held an event to commemorate the 36th anniversary of DRAGON QUEST.



Released on June 2, 2022. Sales have been strong, reaching 55,555 units sold!

Nintendo Switch™ / PlayStation®4用

映画 **五等分の花嫁**

君と過ごした五つの思い出

累計販売本数
55,555本
販売達成!

皆様の応援のおかげです!

※販売数は店頭出荷本数並びにダウンロード販売数の合算です
©春場ねぎ・講談社/映画「五等分の花嫁」製作委員会 ©MAGES.

▼Official HP (Japanese only): <https://5hanayome.mages.co.jp/2nd/>



We promoted initiatives in peripheral areas, such as overseas development of smartphone games and merchandise.

“Shironeko Tennis” Traditional Chinese Version Released



©COLOPL, Inc. Published by So-net Entertainment Taiwan Limited.

“Shironeko Project” music distribution



- ✓ In cooperation with So-net Taiwan, we distribute to Taiwan, Hong Kong and Macau.

- ✓ In conjunction with the in-game measures, the music was distributed on "Apple music" and "Spotify".



We are developing a good balance of in-house IP, IP derivatives, and third-party IP.

Smartphone

Console

7 titles

10 titles

Under development



Already released on July 28



Scheduled for release on September 8



*"ANONYMOUS;CODE", released on July 28, is not included in the pipeline.



We're improving the quality for release!

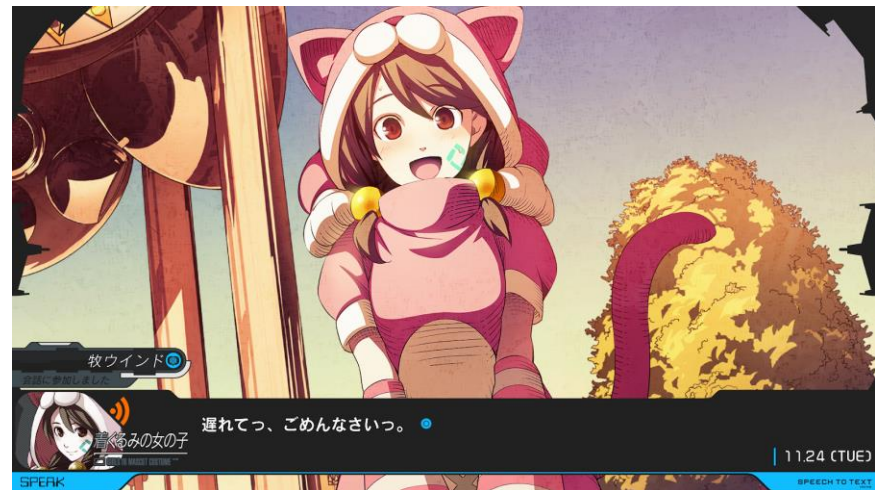


▼Official HP (Japanese only): <https://colopl.co.jp/shironekogolf/>

*Game screens are under development.



On sale July 28, 2022. We've been inducted into the Platinum Hall of Fame in the Weekly Famitsu* "New Game-Cross Review"!





Investment and Development Business

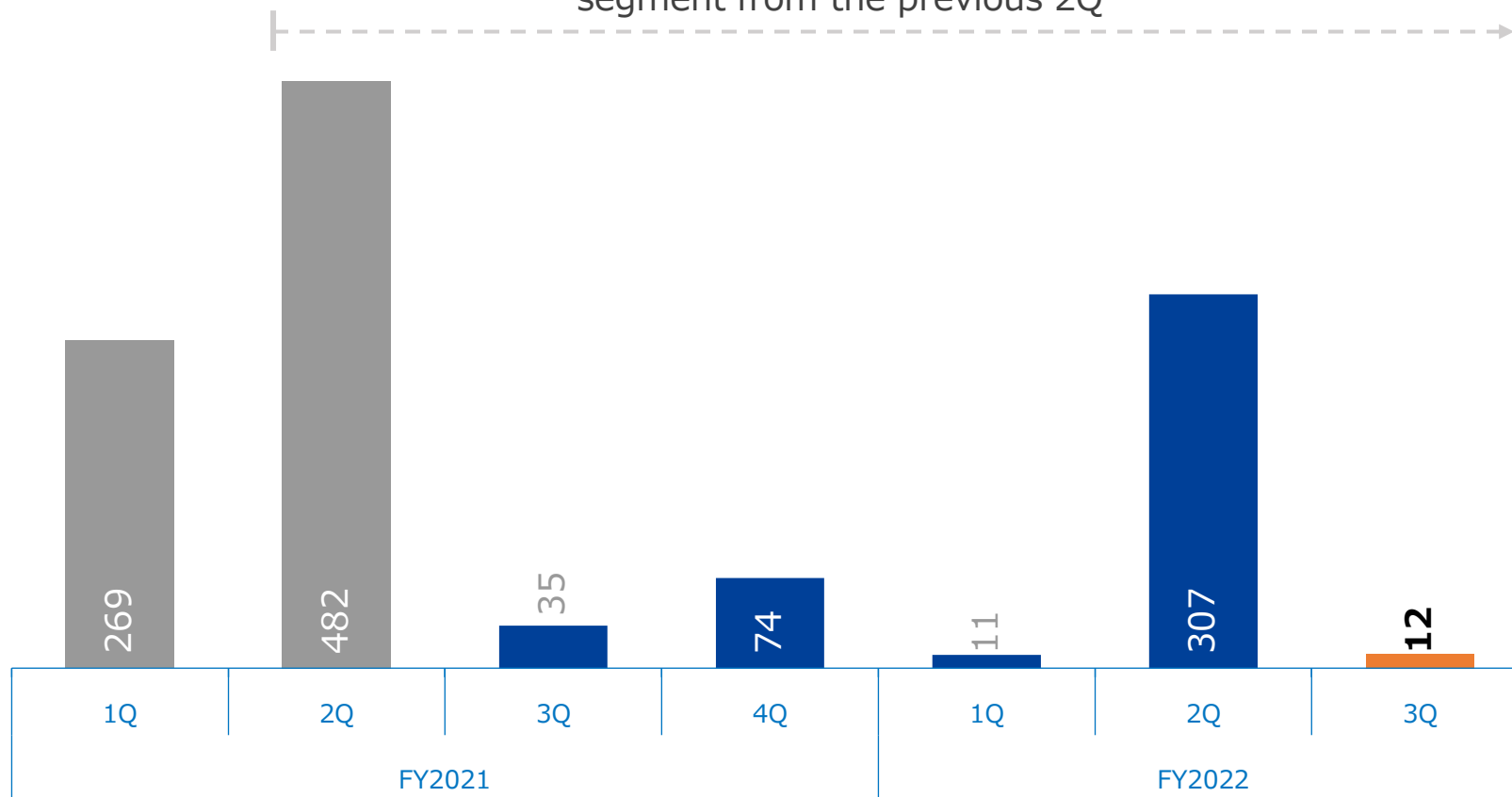


Investment and Development Business : Quarterly Sales Transition

Sales **¥0.01** billion (QoQ: ▲95.8%)

Million JPY

Recognition of Investment and Development Business as a segment from the previous 2Q



*The Company has recognized the Investment and Development Business as a segment since the middle of the previous 2Q. The quarterly results shows the figure when the investment is regarded as intra-operating transactions from the beginning of the previous 1Q.

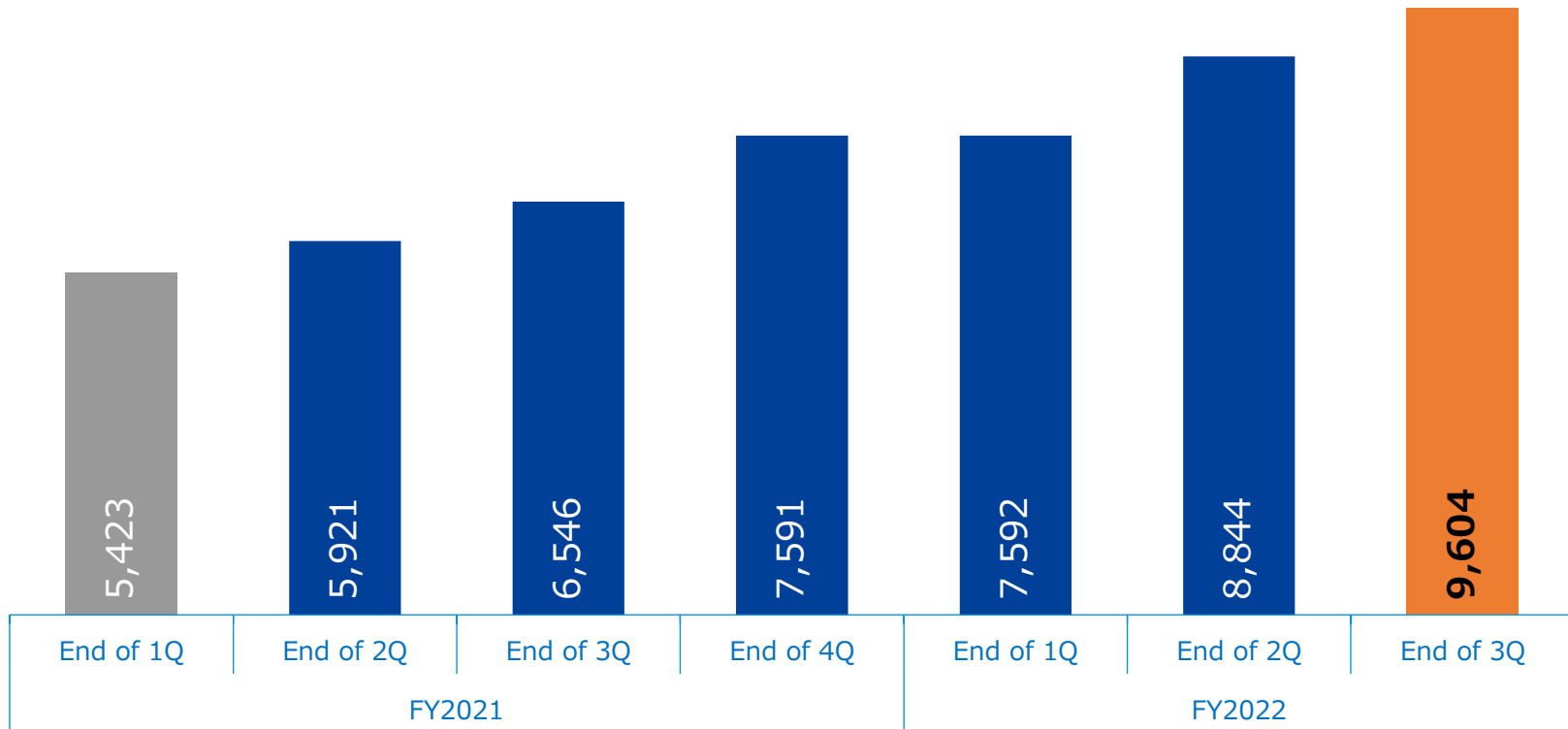
*The figures do not include the performance of No.1 Fund Investment Partnership (Support for student entrepreneurs) and Listed Shares Fund (targeting listed stocks in Japan) managed by our group company COLOPL NEXT, Inc..

Investment and Development Business : Balance of operational investment securities

Balance of operational investment securities **¥9.6 billion** (QoQ: +8.6%)

Million JPY

Recognition of Investment and Development Business as a segment from the previous 2Q



*The Company has recognized the Investment and Development Business as a segment since the middle of the previous 2Q. The balance of operational investment securities is the reference value when the relevant portion is calculated as of the end of the previous 1Q.

*The figures do not include the performance of No.1 Fund Investment Partnership (Support for student entrepreneurs) and Listed Stock Fund (targeting listed stocks in Japan) managed by our group company COLOPL NEXT, Inc..

Investment and Development Business : 3Q Investment Destinations

Under the themes of “Real x Virtual”, “New Normal”, and “New Generation”, we made five new and additional investments.

Major Investment Destinations



Investment and Development Business : Investment Destinations

Listed on KOSDAQ on June 8!



Company Profile : Mobile-specific marketing company

Listed Date : June 8, 2022 Listed on KOSDAQ

Market capitalization : Approx. ¥26 billion

(as of the end of July, 2022)





Other Initiatives

360Channel, Inc. participated in “XR City”, AR service provided by NTT DOCOMO, INC.! We also continue to focus on the web metaverse.



- ✓ This is a real-life linked project to commemorate the 8th anniversary of “Shironeko PJ”.
- ✓ It was planned and developed by 360Channel, Inc., a group company.

▼Content Site (Japanese only): https://xrcity.docomo.ne.jp/contents/shironeko_town/

We will continue to contribute to the development of a sustainable society.

Promotion of Health Management



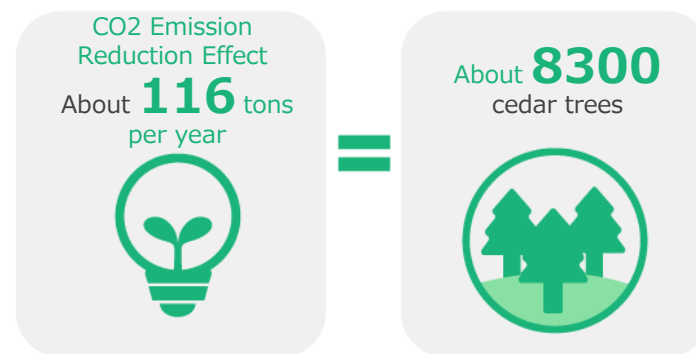
- ✓ We are **the first entertainment company in Japan** to receive “WELL HEALTH-SAFETY RATED”.

Fostering the next generation of creators



- ✓ We sponsored “SPA JAM 2022” as a **platinum sponsor**.

Response to climate change



- ✓ **Green power** was introduced to the office.

We are planning to celebrate the anniversary of existing major titles and release console titles.

8th anniversary of
"Shironeko Project"



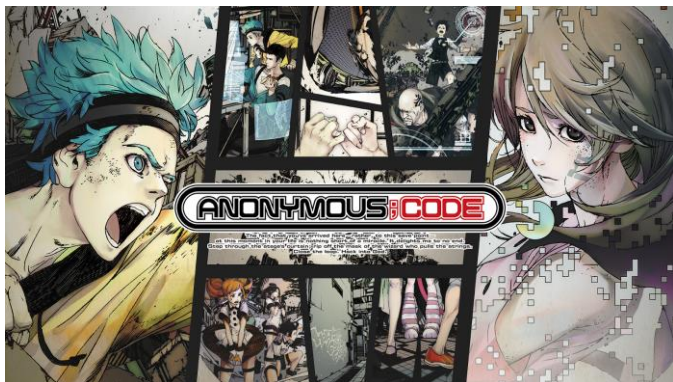
6th anniversary of
"Shironeko Tennis"



3rd anniversary of
"DRAGON QUEST WALK"



ANONYMOUS;CODE



Alice Gear Aegis CS





Supplementary Material



Consolidated Quarterly Statements of Income (QoQ)

Millon JPY	FY2022/2Q (Jan-Mar 2022)	FY2022/3Q (Apr-Jun 2022)	QoQ
Sales	8,258	7,414	-10.2%
Expenses	6,848	6,635	-3.1%
Operating profit	1,410	779	-44.8%
Ordinary Profit	1,605	1,364	-15.0%
Profit before income taxes	1,605	1,364	-15.0%
Profit	1,126	971	-13.8%

*There are some differences in calculation due to rounding down of less than one million yen and rounding off.

*Sales of "DRAGON QUEST WALK" and "Tales of Luminaria" are recorded on a net basis (revenue sharing).

Consolidated Quarterly Balance Sheets (QoQ)

Millon JPY	End of FY2022/2Q (End of Mar 2022)	End of FY2022/3Q (End of Jun 2022)	QoQ
Current assets	74,334	75,337	+1.3%
Cash and deposits	58,982	59,857	+1.5%
Operational investment securities	8,844	9,604	+8.6%
Non-current assets	7,205	6,985	-3.1%
Total assets	81,540	82,322	+1.0%
Current liabilities	5,594	5,006	-10.5%
Non-current liabilities	758	750	-1.1%
Net assets	75,187	76,566	+1.8%
Share capital	6,587	6,587	—

*There are some differences in calculation due to rounding down of less than one million yen and rounding off.



Statements of Income by Segment

【Entertainment Business】

Million JPY	FY2022/3Q (Apr-Jun 2022)	FY2021/3Q (Apr-Jun 2021)	YoY	FY2022/2Q (Jan-Mar 2022)	QoQ
Sales	7,401	8,059	-8.2%	7,951	-6.9%
Expenses	6,504	6,915	-5.9%	6,777	-4.0%
Operating profit	897	1,144	-21.6%	1,173	-23.6%

【Investment and Development Business】

Million JPY	FY2022/3Q (Apr-Jun 2022)	FY2021/3Q (Apr-Jun 2021)	YoY	FY2022/2Q (Jan-Mar 2022)	QoQ
Sales	12	35	-63.2%	307	-95.8%
Expenses	131	60	+116.2%	72	+82.5%
Operating profit	-118	-25	—	235	—

*There are some differences in calculation due to rounding down of less than one million yen and rounding off.
 *Sales of "DRAGON QUEST WALK" and "Tales of Luminaria" are recorded on a net basis (revenue sharing).



Expense Transition

Cost (Million JPY) Sales ratio (%)	FY2022/3Q (Apr-Jun 2022)	FY2021/3Q (Apr-Jun 2021)	YoY	FY2022/2Q (Jan-Mar 2022)	QoQ
PF & Payments	1,056 14.2%	1,193 14.7%	-11.5% -0.5pt	1,100 13.3%	-4.0% +0.9pt
Royalties	145 2.0%	157 2.0%	-7.6% +0.0pt	116 1.4%	+25.6% +0.6pt
Employment	2,471 33.3%	2,772 34.3%	-10.9% -1.0pt	2,434 29.5%	+1.5% +3.8pt
Office	452 6.1%	308 3.8%	+46.7% +2.3pt	457 5.5%	-1.0% +0.6pt
iDC related	365 4.9%	326 4.0%	+12.1% +0.9pt	354 4.3%	+3.2% +0.6pt
Advertisement	167 2.3%	364 4.5%	-54.1% -2.2pt	340 4.1%	-51.0% -1.8pt
Outsourcing	1,033 13.9%	1,136 14.0%	-9.1% -0.1pt	1,067 12.9%	-3.2% +1.0pt
Others	942 12.7%	715 8.8%	+31.8% +3.9pt	977 11.8%	-3.5% +0.9pt
Total	6,635	6,975	-4.9%	6,848	-3.1%

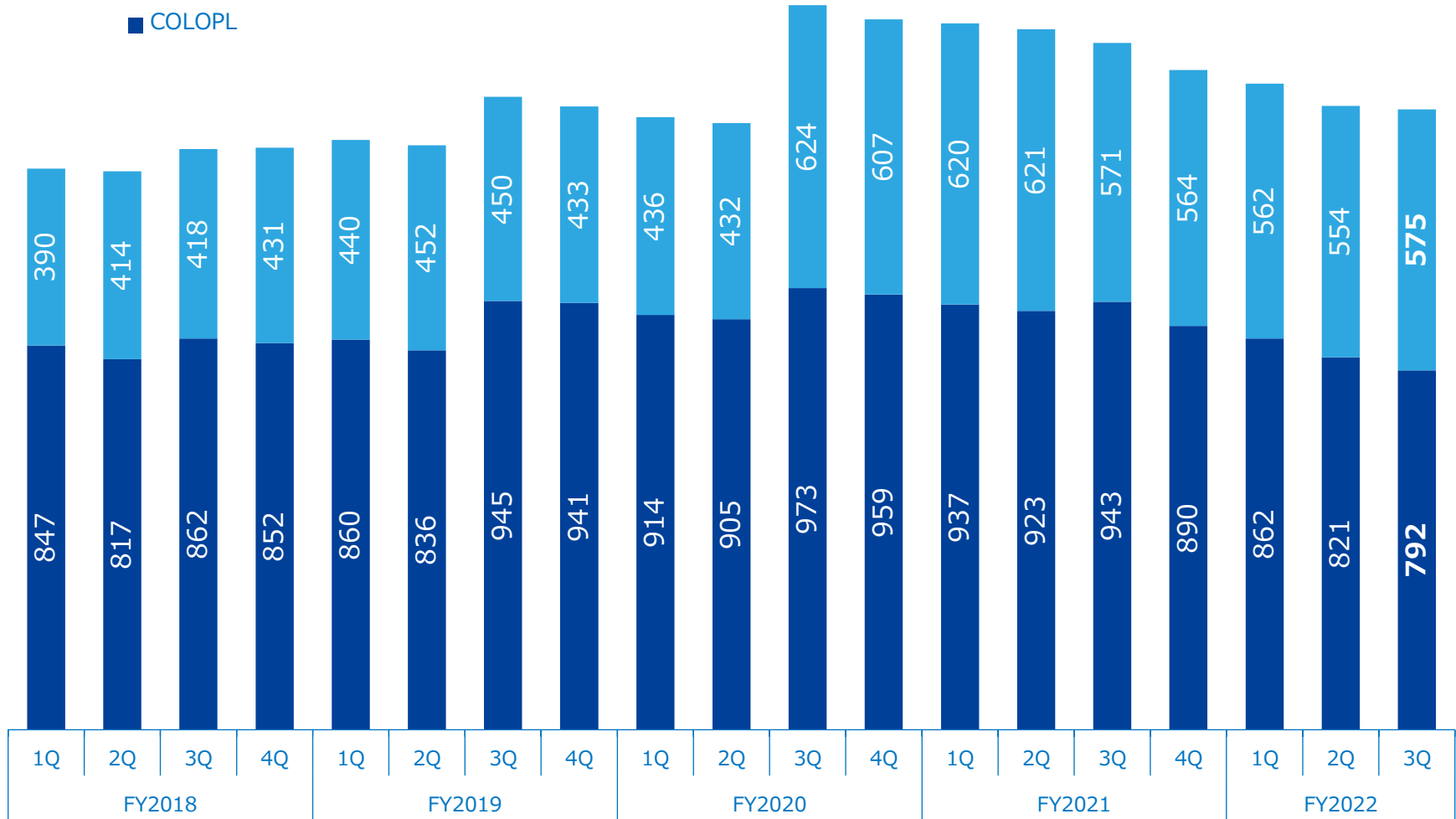
*There are some differences in calculation due to rounding down of less than one million yen and rounding off.



Workforce Transition

Number of employees at the end of term

- Amount of each group company
- COLOPL



*Executives and temporary employees are not included.



Entertainment Business: Sales Transition by Release Period

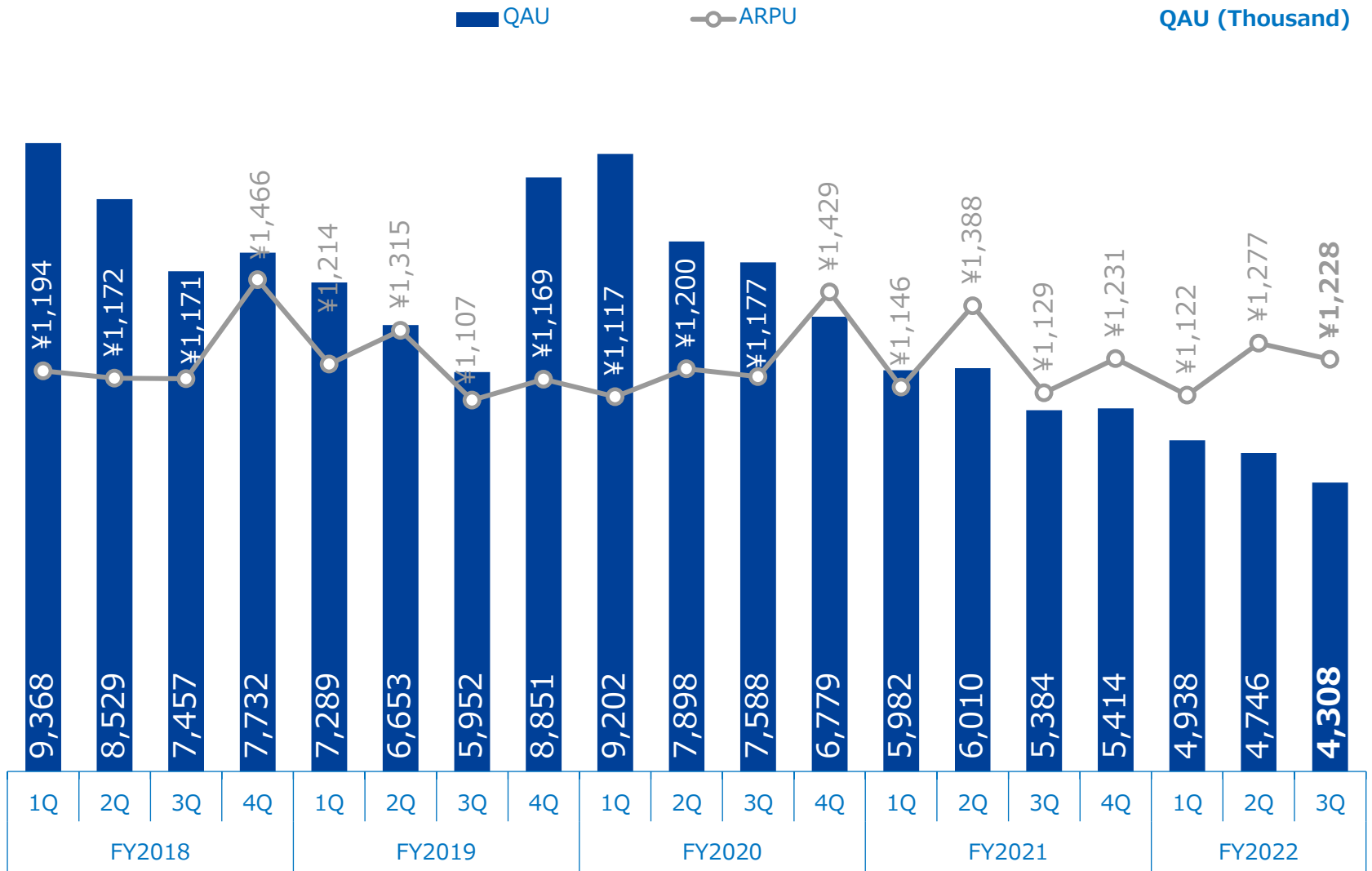
Million JPY	FY2021		FY2022		3Q
	3Q	4Q	1Q	2Q	
FY Sep. 2012 Online Titles	144	165	130	140	133
FY Sep. 2013 Online Titles	760	413	287	555	443
FY Sep. 2014 Online Titles	1,448	2,207	1,413	1,273	1,372
FY Sep. 2015 Online Titles	22	22	23	23	20
FY Sep. 2016 Online Titles	248	268	162	199	118
FY Sep. 2017 Online Titles	166	163	163	151	162
FY Sep. 2018 Online Titles	693	851	927	1,048	924
FY Sep. 2019 Online Titles	2,574	2,545	2,368	2,601	2,077
FY Sep. 2021 Online Titles	22	30	29	27	25
FY Sep. 2022 Online Titles	-	-	37	39	14
Console (In-house Operation · Entrusted Development etc)	850	1,696	737	690	1,098
Others (Overseas · Our IP Operation and Merchandise · XR etc)	1,127	1,266	1,114	1,196	1,010
Total (Entertainment Business)	8,059	9,630	7,395	7,951	7,401

- FY2012 : Treasure Detective CARRIE, Pro Baseball PRIDE
- FY2013 : Quiz RPG, The Blue Sky of Sanguozhi
- FY2014 : Meow Meow Star Acres, Shironeko Project
- FY2015 : Tokyo Casino Project
- FY2016 : Shironeko Tennis
- FY2017 : Pro Baseball VS
- FY2018 : Disney TSUMTUM LAND, Alice Gear Aegis
- FY2019 : DRAGON QUEST WALK
- FY2021 : YOU GENERATION
- FY2022 : TALES OF LUMINARIA

*Sales of "DRAGON QUEST WALK" and "TALES OF LUMINARIA" are recorded on a net basis (revenue sharing).



Entertainment Business: KPI Transition for Domestic Titles QAU×ARPU

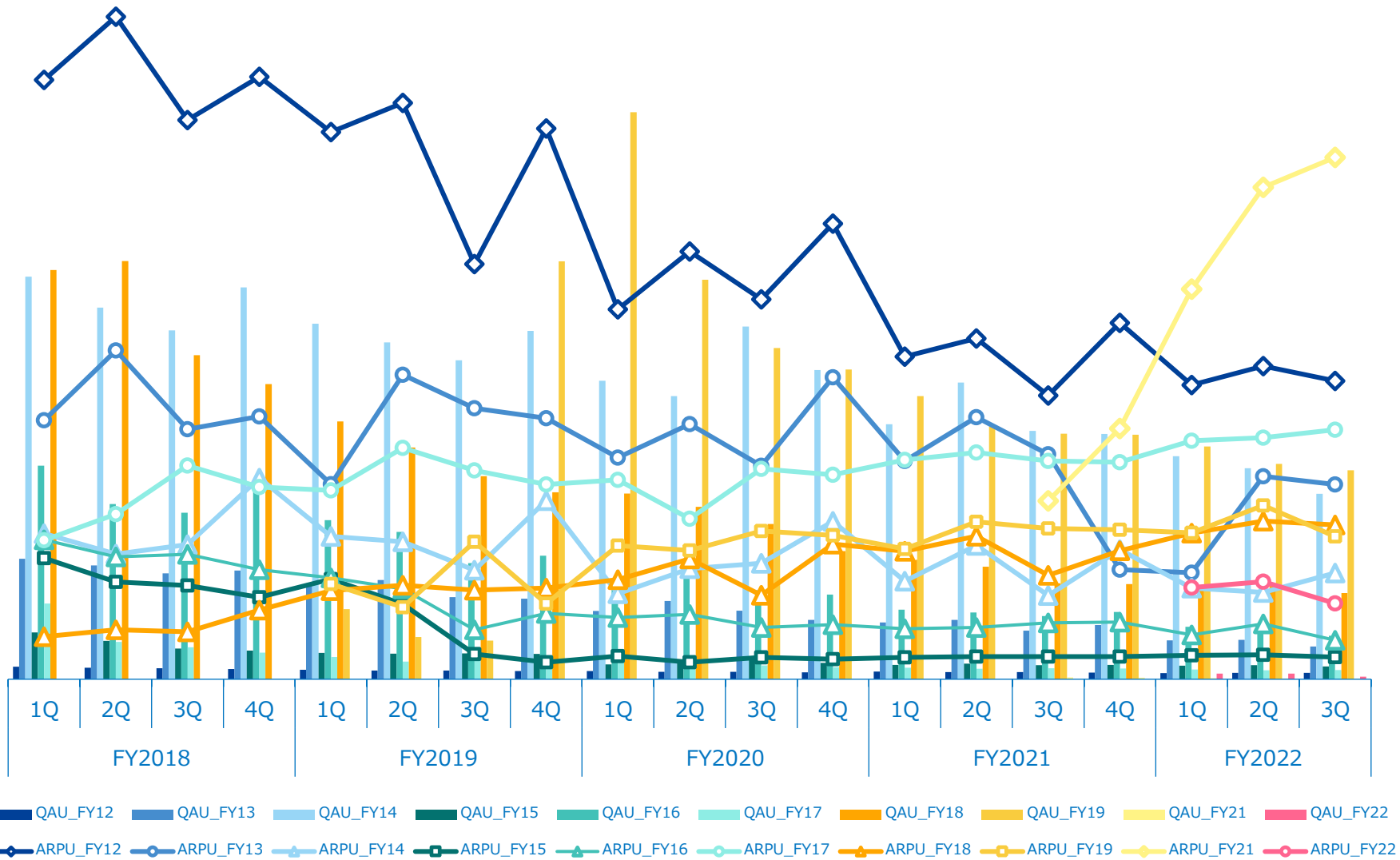


*Overseas KPIs for "Tales of Luminaria" are not included.

*There are some differences in calculation due to rounding down of less than one thousand.



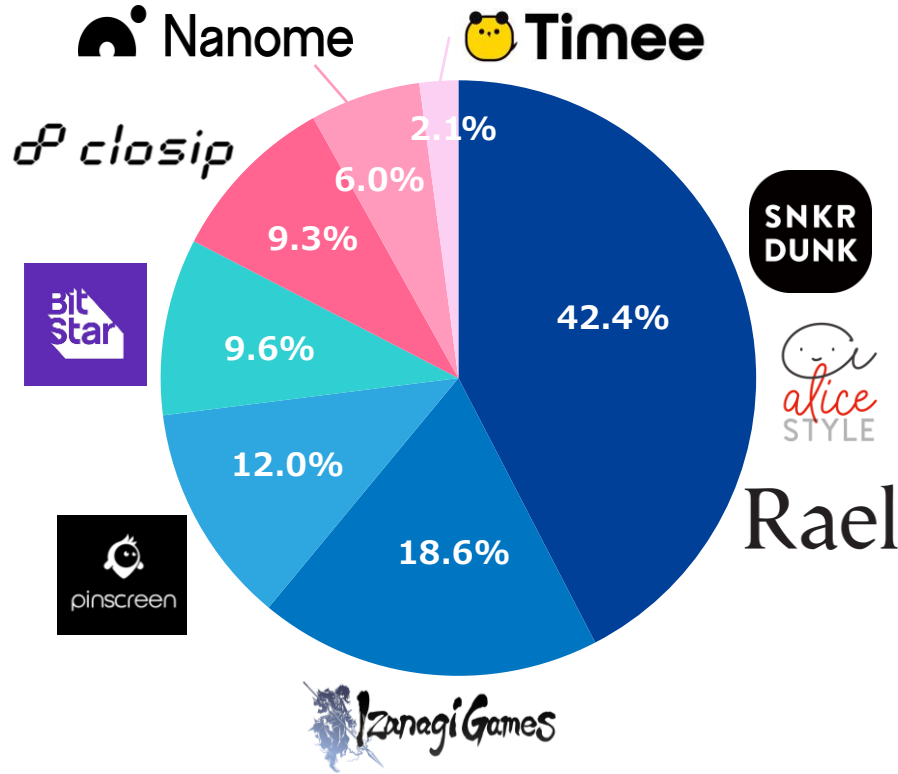
Entertainment Business: QAU×ARPU Transition by Release Period



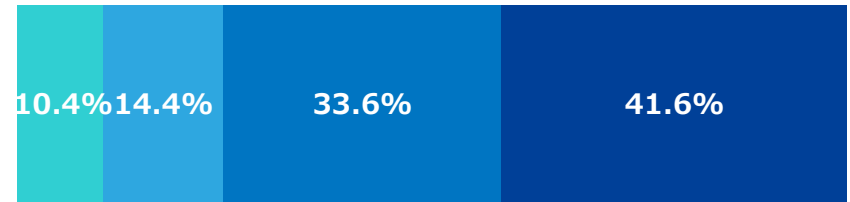
*Overseas KPIs for "Tales of Luminaria" are not included.

Investment and Development Business: Portfolio Status

Ratio by industry / sector
(Balance of operational investment securities at the end of 3Q)



Ratio by stage (number of companies)



- to C Platform
- Emerging Tech
- to B Platform
- HR / Ed Tech
- Studio / Developer
- Video Streaming / Influencer
- Medi-tech / Medical

*Ratios by industry/sector and stage are internally managed figures and based on our own classification.



“Entertainment in Real Life”

Making everyday more enjoyable and wonderful through entertainment

We're sending out the latest information on the COLOPL group!



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