




FY Sep.2023 / 3Q Results

2023.08.02

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Highlights

3Q Results

As usual, preparation period for the fourth quarter. Sales and income decreased from the same period of the previous year

Sales: ¥6.5 billion (YoY -11.2%) Operating Profit: ¥0.03 billion (YoY -95.4%)

Entertainment Business

Not as strong as the previous year when events were strong, but still profitable

Sales: ¥6.5 billion (YoY -11.5%) Operating Profit: ¥0.1 billion (YoY -81.2%)

Investment and Development Business

Investment pace to be re-accelerated in the future, pending market recovery

Sales: ¥0.03 billion (YoY +148.9%) Operating Profit: -¥0.1 billion (YoY -)

TOPICs

New Blockchain Game Details Revealed !

Partnership with domestic and international partners for success in the Metaverse

01 Overview of Results

Sales: ¥6.5 billion (YoY: -11.2%)

Operating profit: ¥0.03 billion (YoY: -95.4%)

(Million JPY)



*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).

Entertainment Business

Investment&Development Business

Entertainment Business

(Million JPY)

	FY2022 3Q (Apr.-Jun.2022)	FY2023 3Q (Apr.-Jun.2023)	YoY
Sales	7,401	6,553	-11.5%
Cost	6,504	6,384	-1.8%
Operating profit	897	168	-81.2%
Operating profit margin	12.1%	2.6%	-

Investment&Development Business

(Million JPY)

	FY2022 3Q (Apr.-Jun.2022)	FY2023 3Q (Apr.-Jun.2023)	YoY
Sales	12	32	+148.9%
Cost	131	166	+26.1%
Operating profit	-118	-133	-
Operating profit margin	-918.7%	-416.0%	-

*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).

Ordinary profit: ¥0.5 billion (YoY: -62.3%)
Net profit: ¥0.3 billion (YoY: -67.9%)

(Million JPY)

	FY2022 3Q (Apr.-Jun.2022)	FY2023 3Q (Apr.-Jun.2023)	YoY
Sales	7,414	6,585	-11.2%
Cost	6,635	6,550	-1.3%
Operating profit	779	35	-95.4%
Operating profit margin	10.5%	0.5%	-
Non-operating income	667	234	-64.8%
Non-operating expenses	81	-244	-
Ordinary profit	1,364	515	-62.3%
Extraordinary income	-	-	-
Extraordinary losses	-	-	-
Profit before income taxes	1,364	515	-62.3%
Total income taxes	393	203	-48.4%
Net profit	971	311	-67.9%
Net profit margin	13.1%	4.7%	-

*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).

*Net profit: Profit attributable to owners of parent

(Profit (loss) attributable to non-controlling interests is included in Total income taxes).

(Million JPY)

	FY2022 (Sep.2022)	FY2023 3Q (Jun.2023)	Variance
Current assets	77,917	73,862	-5.2%
Cash and deposits	60,330	57,609	-4.5%
Operational investment securities	10,334	9,940	-3.8%
Non-current assets	5,363	6,615	+23.4%
Total assets	83,280	80,478	-3.4%
Current liabilities	5,694	3,927	-31.0%
Non-current liabilities	1,011	1,072	+6.1%
Total liabilities	6,705	5,000	-25.4%
Shareholders' equity	75,299	74,024	-1.7%
Net assets	76,575	75,477	-1.4%

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

02 Entertainment Business

Sales : ¥6.5billion

(YoY: -11.5%, QoQ: -21.7%)

- 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 TSUMTSUM LAND, Alice Gear Aegis
- FY2019 : DRAGON QUEST WALK
- FY2021 : YOU GENERATION
- FY2022 : TALES OF LUMINARIA
- FY2023 : NEKO GOLF -Anime GOLF-, Volzerk : Monsters and Lands Unknown
- Console (In-house Operation, Entrusted Development etc)
- Others (Overseas, Our IP Operation and Merchandise, XR etc)



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

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

“Shironeko Project” continued to implement exciting measures for its anniversary.



9th Anniversary Pre-Event (4/14~)



Collaboration with the TV anime "Lycoris Recoil" (4/28~)

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Special events leading up to the 9th anniversary were held in sequence from April.

Collaboration with the TV anime “Lycoris Recoil” was well received.

“DRAGON QUEST WALK”
made its appeal as a walking app known again.



Outing Campaign (4/27~)



“DRAGON QUEST VI” (5/27~)

The outing campaign was conducted to coincide with the relaxation of outing restrictions.

KPIs remained strong, thanks in part to the “DRAGON QUEST VI” event.



"Alice Gear Aegis"



"NEKO GOLF -Anime GOLF-"

The event was held in conjunction with the TV anime "alice gear aegis Expansion".

On the occasion of the half-anniversary, updates were made based on previous feedback from users.

“WEBmetaverse” Aims for further growth focusing on B-to-B.



*The graph shows orders (number and amount) that will become sales in the future, not sales for the period in question.



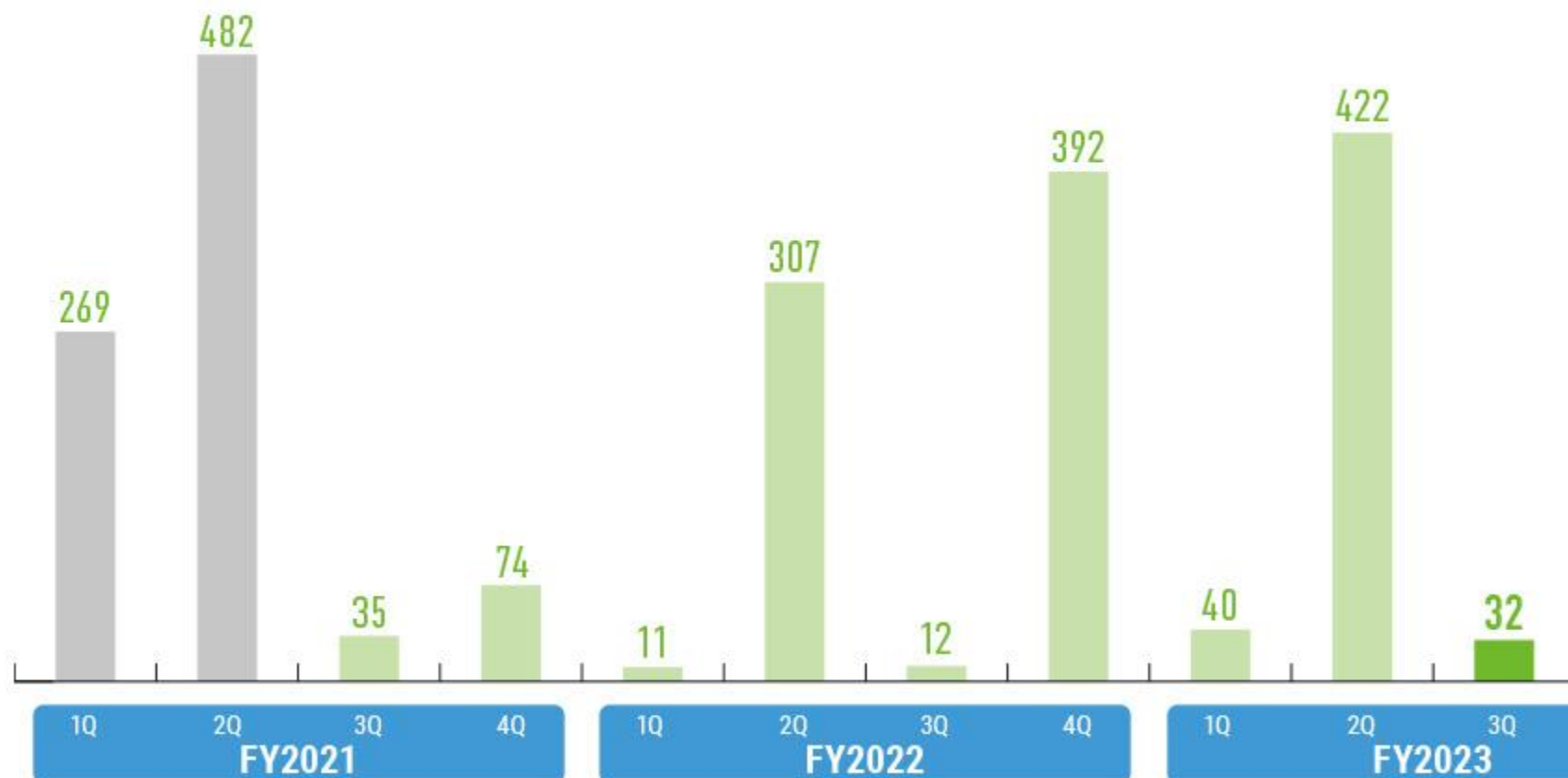
Second collaboration with SoftBank Corp.

Continue to expand sales channels and strengthen sales force through business alliances

Provided the metaverse space for “STARDOM”, women's professional wrestling organization

03 Investment and Development Business

(Million JPY)

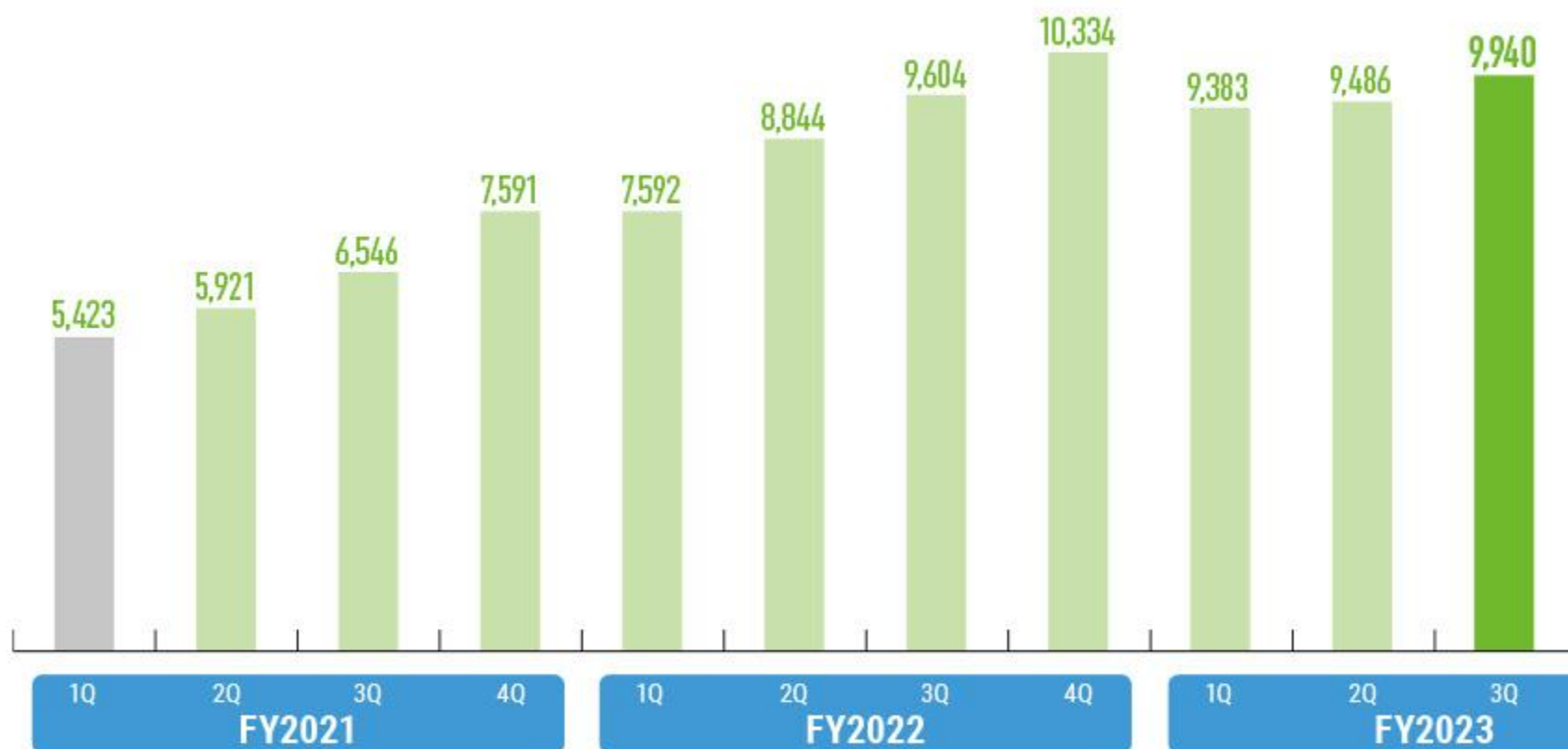


*The Company has recognized the Investment and Development Business as a segment since the middle of the 2Q FY2021. The quarterly results shows the figure when the investment is regarded as intra-operating transactions from the beginning of the 1Q FY2021.

*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 pace to be re-accelerated in the future, pending market recovery

(Million JPY)



*The Company has recognized the Investment and Development Business as a segment since the middle of the 2Q FY2021. The balance of operational investment securities is the reference value when the relevant portion is calculated as of the end of the 1Q FY2021.

*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..

04 Current Status and Future Forecast

Creation of games that are unique to COLOPL and challenges in new fields

Existing field

Smartphone Games

Active use of IP and promotion of global & multi PF

Console Games

Focus on adventure games

New field

XR/Metaverse

Enhancement of “WEBmetaverse” functions and focus on B-to-B

Blockchain Games

Aiming for Sustainable Play to Earn

“Shironeko Project” Celebrates 9th Anniversary and Aims for Further Long-Term Operation



9th anniversary event “LINK NEW WORLD’S” held. (7/14~)

Currently considering measures for the upcoming 10th anniversary next year.



Group company EIGHTING Co., Ltd. released “Project RAIZIN”.

New features of “Unreal Engine 5*” were utilized to create a mock-up of the game with a focus on high-end graphic expression.

*Game engine developed by Epic Games, Inc. released in April 2022



<https://www.8ing.co.jp/company/8ing/research-and-development/>

Sequel to popular IP console game to be released in September

Smartphone Games
pipeline

6 titles

Console Games
pipeline

6 titles



“The Quintessential Quintuplets
Five promises to make with her”

©春場ねぎ・講談社／映画「五等分の花嫁」製作委員会 ©MAGES.

INVESTMENT

SALOWIN

#share salon

Company Name:

SALOWIN Co., Ltd.

Business:

Operation of share salon "SALOWIN"

Colopl Next Korea



colopl next korea

Marketing activities to acquire LPs are progressing well.

The fund is expected to be formed by the end of August.

Revealed more information about “Brilliantcrypto”



Chairman of the Board Baba took the stage at “Web X 2023,” asia's largest Web3 conference.



Brilliantcrypto



Multi-year Global Partnership with Paris Saint-Germain



Brilliantcrypto



Coincheck

**Confirms Partnership with Coincheck, Inc.
for of IEO (Initial Exchange Offering)**

The closed beta is scheduled to begin on Aug. 15th!

CLOSED BETA TEST

Start Aug. 15th

End Aug. 22nd

Phase1

2023 Jul.-Sep.
Closed Beta

2023 Oct.-Dec.
Open Beta

2024 Jan.-Mar.
Official Game Release
(IEO may occur later than 2024 Jan.-Mar.)

Phase2

202X
Lapidary Workshop
Opens Refining
gemstones into
NFT Jewelry

Phase3

202X
Metaverse Phase
Begins Bringing
NFT gemstones
to Metaverse





supplementary material



(Million JPY)

	FY2022		FY2023		
	3Q	4Q	1Q	2Q	3Q
Sales	7,414	9,461	7,108	8,789	6,585
Cost	6,635	8,099	7,096	6,856	6,550
Operating profit	779	1,361	11	1,932	35
<i>Operating profit margin</i>	<i>10.5%</i>	<i>14.4%</i>	<i>0.2%</i>	<i>22.0%</i>	<i>0.5%</i>
Non-operating income	667	379	116	212	234
Non-operating expenses	81	71	570	94	-244
Ordinary profit	1,364	1,670	-442	2,050	515
Extraordinary income	-	-	-	-	-
Extraordinary losses	-	-	-	-	-
Profit before income	1,364	1,670	-442	2,050	515
Total income taxes	393	2,030	-29	704	203
Net profit	971	-359	-413	1,346	311
<i>Net profit margin</i>	<i>13.1%</i>	<i>-3.8%</i>	<i>-5.8%</i>	<i>15.3%</i>	<i>4.7%</i>

*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).

*Net profit: Profit attributable to owners of parent

(Profit (loss) attributable to non-controlling interests is included in Total income taxes).



(Million JPY)

	FY2022		FY2023		
	3Q	4Q	1Q	2Q	3Q
Current assets	75,337	77,917	72,279	74,069	73,862
Cash and deposits	59,857	60,330	56,787	57,543	57,609
Operational investment securities	9,604	10,334	9,383	9,486	9,940
Non-current assets	6,985	5,363	6,175	6,444	6,615
Total assets	82,322	83,280	78,455	80,513	80,478
Current liabilities	5,006	5,694	4,383	4,931	3,927
Non-current liabilities	750	1,011	805	899	1,072
Total liabilities	5,756	6,705	5,189	5,830	5,000
Shareholders' equity	75,659	75,299	72,321	73,712	74,024
Net assets	76,566	76,575	73,266	74,683	75,477

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



(Million JPY)

Cost	FY2022			FY2023		
	Sales ratio	3Q	4Q	1Q	2Q	3Q
PF & Payments		1,056	1,303	1,044	1,057	879
		14.2%	13.8%	14.7%	12.0%	13.4%
Royalties		145	217	171	131	177
		2.0%	2.3%	2.4%	1.5%	2.7%
Employment		2,471	2,455	2,372	2,310	2,349
		33.3%	26.0%	33.4%	26.3%	35.7%
Office		452	334	294	288	278
		6.1%	3.5%	4.1%	3.3%	4.2%
iDC related		365	402	468	382	392
		4.9%	4.3%	6.6%	4.4%	6.0%
Advertisement		167	335	876	323	337
		2.3%	3.5%	12.3%	3.7%	5.1%
Outsourcing		1,033	1,030	922	1,062	993
		13.9%	10.9%	13.0%	12.1%	15.1%
Others		942	2,019	946	1,299	1,142
		12.7%	21.3%	13.3%	14.8%	17.3%
Total		6,635	8,099	7,096	6,856	6,550
		89.5%	85.6%	99.8%	78.0%	99.5%

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



Entertainment Business

(Million JPY)

	FY2022		FY2023		
	3Q	4Q	1Q	2Q	3Q
Sales	7,401	9,069	7,067	8,366	6,553
Cost	6,504	7,277	6,834	6,449	6,384
Operating profit	897	1,791	233	1,917	168
<i>Operating profit margin</i>	<i>12.1%</i>	<i>19.8%</i>	<i>3.3%</i>	<i>22.9%</i>	<i>2.6%</i>

Investment&Development Business

(Million JPY)

	FY2022		FY2023		
	3Q	4Q	1Q	2Q	3Q
Sales	12	392	40	422	32
Cost	131	822	263	406	166
Operating profit	-118	-430	-222	15	-133
<i>Operating profit margin</i>	<i>-918.7%</i>	<i>-109.7%</i>	<i>-548.5%</i>	<i>3.6%</i>	<i>-416.0%</i>

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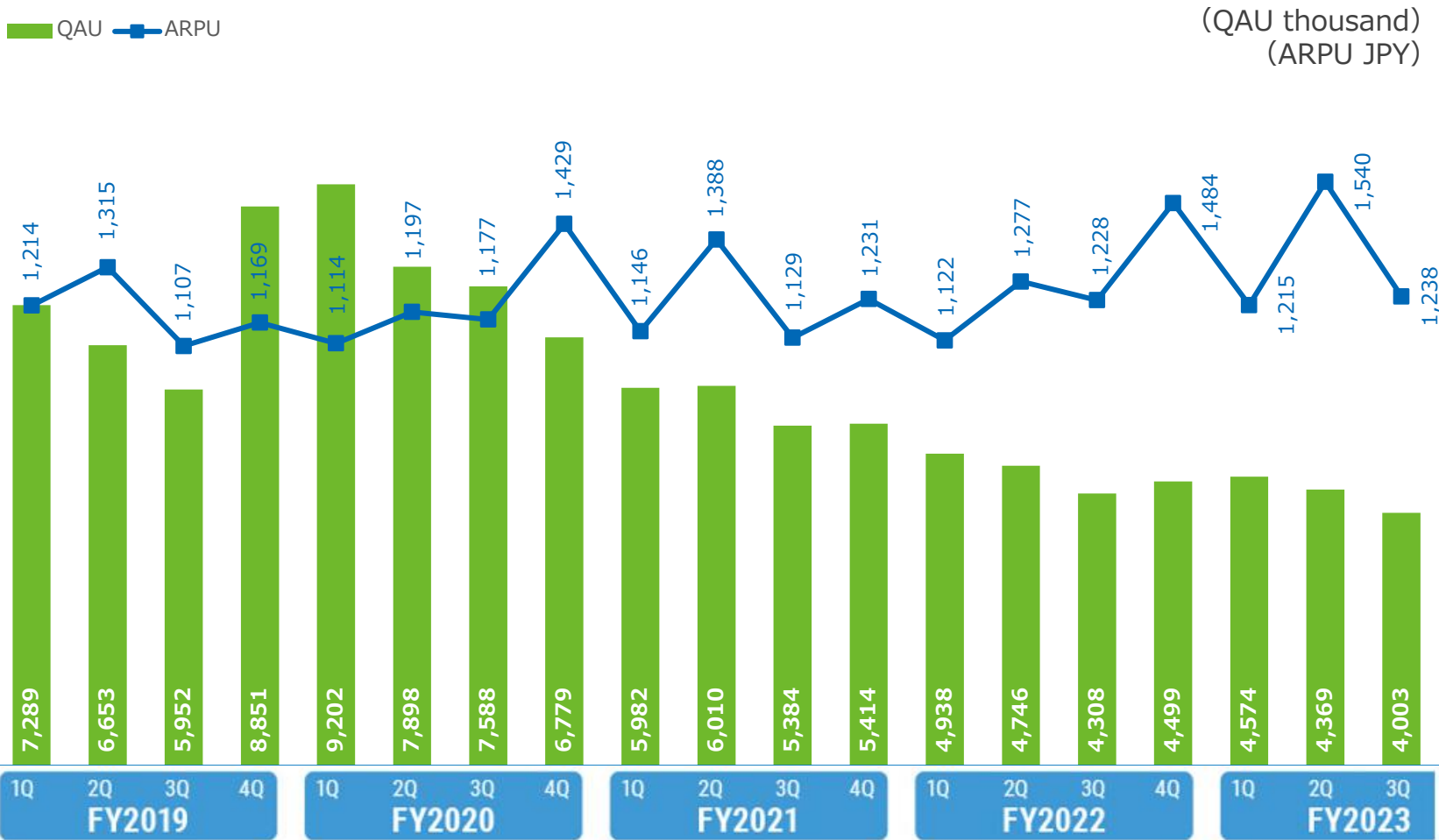
(Million JPY)

	FY2022		FY2023		
	3Q	4Q	1Q	2Q	3Q
FY Sep. 2012 Online Titles	133	156	129	130	116
FY Sep. 2013 Online Titles	443	449	357	528	421
FY Sep. 2014 Online Titles	1,372	2,086	1,082	1,384	1,075
FY Sep. 2015 Online Titles	20	20	17	17	16
FY Sep. 2016 Online Titles	118	168	76	97	77
FY Sep. 2017 Online Titles	162	146	138	124	121
FY Sep. 2018 Online Titles	924	851	836	929	804
FY Sep. 2019 Online Titles	2,077	2,778	2,426	3,227	2,091
FY Sep. 2021 Online Titles	25	20	1	0	-
FY Sep. 2022 Online Titles	14	0	-	-	-
FY Sep. 2023 Online Titles	-	-	493	289	233
Console (In-house Operation · Entrusted Development etc)	1,098	879	589	656	829
Others (Overseas · Our IP Operation and Merchandise · XR etc)	1,010	1,512	919	979	767
Total (Entertainment Business)	7,401	9,069	7,067	8,366	6,553

- 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
- FY2023 : NEKO GOLF, Volzerk

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

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



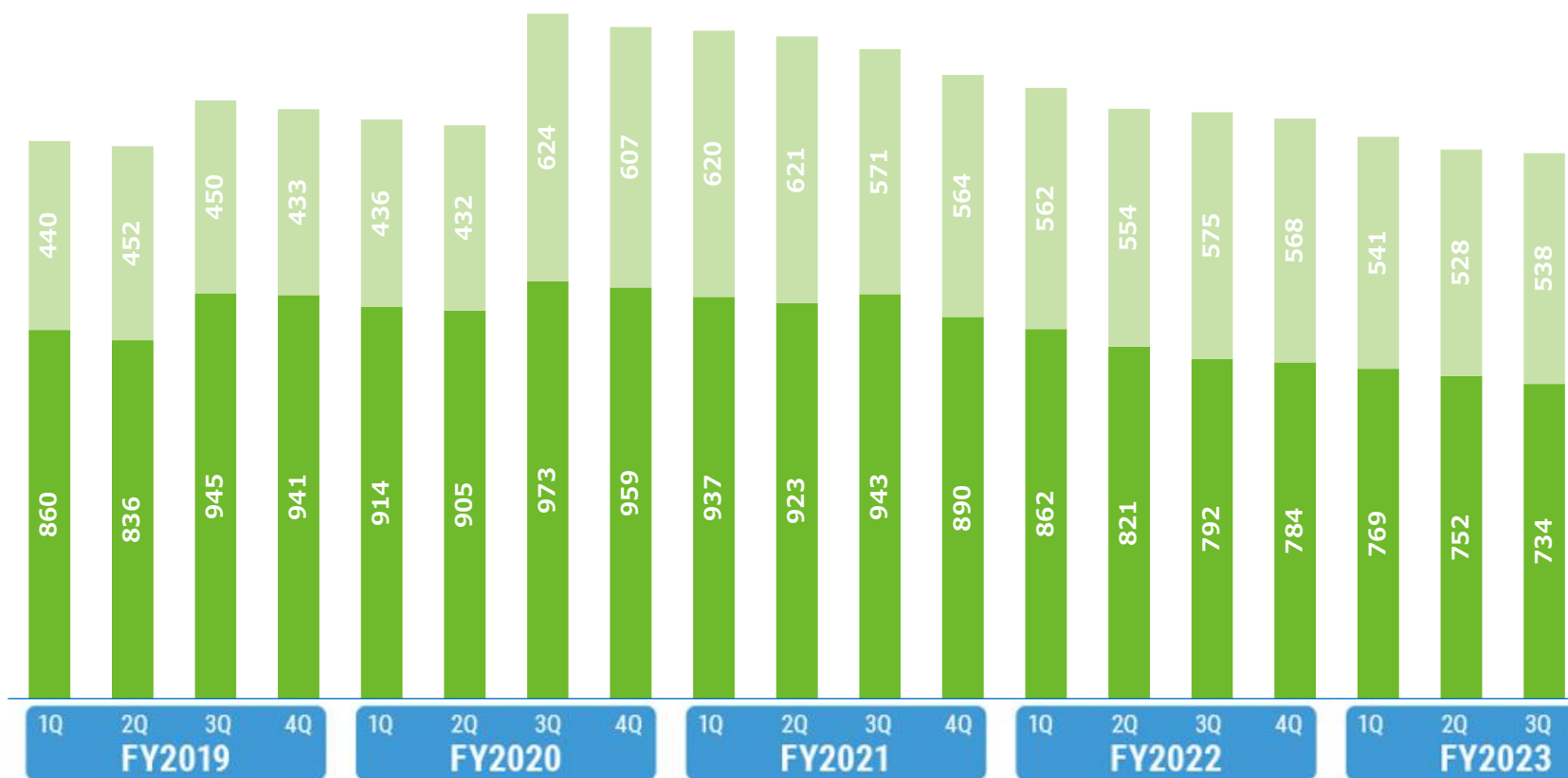
*Overseas KPIs for "Tales of Luminaria" are not included.

*There is a slight difference in calculation due to rounding down to the nearest 1 yen.

*Titles since FY2012 are counted.



■ COLOPL ■ Amount of each group company



*From 1Q FY2023, the number of employees is the number of full-time employees (excluding employees temporarily transferred from the Group and including employees temporarily transferred to the Group).



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Making everyday more enjoyable and wonderful through entertainment

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