



Presentation on Business Results  
for the First Half of FY 3/2024  
(April 1, 2023 to September 30, 2023)

November 7, 2023

**SANKYO CO., LTD.**

Prime Market of the TSE #6417

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- ✓ Substantial increases in both net sales and profits compared with the same period of the previous year due to substantial increases in the sales volume of both pachinko machines and pachislot machines.
- ✓ Achieved good progress for the forecasts of financial results for fiscal 2024 due to steady accumulation of the sale volumes of pachinko/pachislot machines.

## Consolidated Financial Results

Net Sales	116,190	million yen	YoY	+66.1 %
Operating Income	45,460	million yen		+72.1 %
Net Income attributable to owners of parent	32,787	million yen		+53.9 %
Net Income per share	565.54	yen		+198.68 yen

## Pachinko Machines Business

Net Sales	82,107	million yen	YoY	+30.3 %
Operating Income	36,515	million yen		+29.1 %
Sales of Unit	167,818	unit		+16.3 %

## Pachislot Machines Business

Net Sales	21,686	million yen	YoY	+356.5 %
Operating Income	11,483	million yen		+10,444 million yen
Sales of Unit	48,397	unit		+379.7 %

## Pachinko Pachislot Market

- ✓ In the market for Smart Pachinko/Pachislot machines, with several hit titles emerging, Smart Pachislot machines are diffusing earlier than Smart Pachinko machines because of their more positive contribution on machine utilization.
- ✓ Regarding Smart Pachinko machines, manufacturers have pursued a trial-and-error approach, with certain titles proving to be successful, but full-scale diffusion of Smart Pachinko machines is expected to take a while.
- ✓ Diffusion of Smart Pachislot machines is smoothly progressing as many new titles have been rolled out, generating some hits.

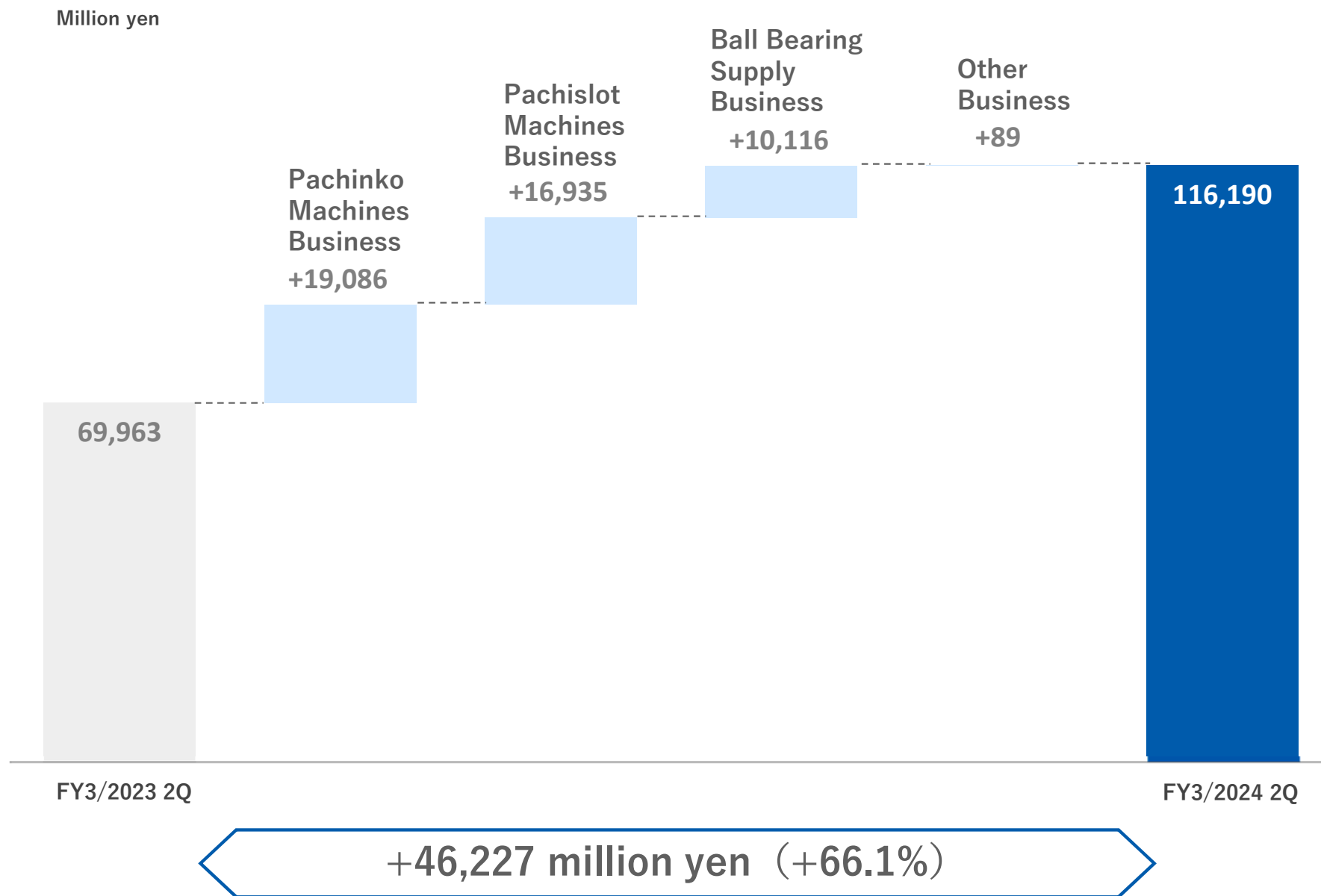
## SANKYO Group

- Number of New Titles of Pachinko machine released : Five (Reused models etc. : Five)
- Number of New Titles of Pachislot machine released : Three
- ✓ The sales volumes of both pachinko and pachislot machines increased due to brisk sales of new titles and series products, led by sales of 50,000 units of Fever MOBILE SUIT GUNDAM SEED .
- ✓ The Group implemented the change in dividend policy and the repurchase of the Company's own shares.

# Summary of Financial Results

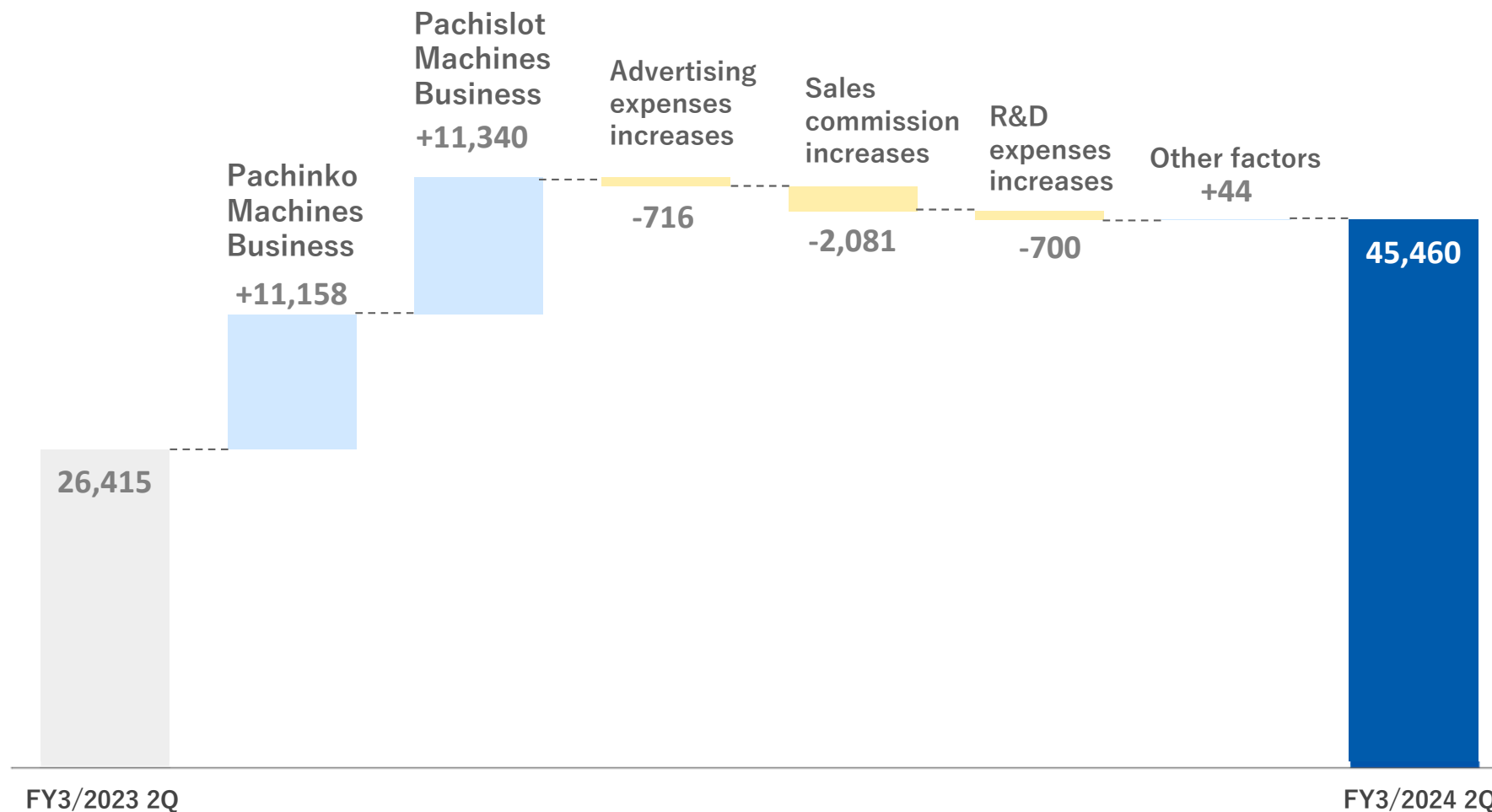
million yen	FY 3/2023 2Q	FY 3/2024 2Q	YoY	FY 3/2024 Forecast	
<b>Net Sales</b>	<b>69,963</b>	<b>116,190</b>	<b>+46,227</b>	<b>+66.1%</b>	<b>175,000</b>
Pachinko Machines Business	63,021	82,107	+19,086	+30.3%	131,600
Pachislot Machines Business	4,751	21,686	+16,935	+356.5%	35,100
<b>Cost of Sales</b>	<b>29,238</b>	<b>51,687</b>	<b>+22,449</b>	<b>+76.8%</b>	<b>79,100</b>
<b>Gross Profit</b>	<b>40,724</b>	<b>64,502</b>	<b>+23,778</b>	<b>+58.4%</b>	<b>95,900</b>
<b>Percentage</b>	<b>58.2%</b>	<b>55.5%</b>	<b>-2.7pt</b>		<b>54.8%</b>
<b>SG &amp; A Expenses</b>	<b>14,308</b>	<b>19,042</b>	<b>+4,734</b>	<b>+33.1%</b>	<b>36,400</b>
<b>Operating Income</b>	<b>26,415</b>	<b>45,460</b>	<b>+19,045</b>	<b>+72.1%</b>	<b>59,500</b>
<b>Percentage</b>	<b>37.8%</b>	<b>39.1%</b>	<b>+1.4pt</b>		<b>34.0%</b>
Pachinko Machines Business	28,275	36,515	+8,240	+29.1%	47,800
Pachislot Machines Business	1,039	11,483	+10,444		16,400
<b>Recurring Income</b>	<b>26,842</b>	<b>45,863</b>	<b>+19,021</b>	<b>+70.9%</b>	<b>60,000</b>
<b>Net Income attributable to owners of parent</b>	<b>21,306</b>	<b>32,787</b>	<b>+11,481</b>	<b>+53.9%</b>	<b>41,500</b>

# Factors of Change in Consolidated Net Sales



# Factors of Change in Consolidated Operating Income

Million yen



**+19,045 million yen (+72.1%)**

# Costs and Expenses

million yen	FY 3/2023 2Q	FY 3/2024 2Q	YoY		FY 3/2024 Forecast
<b>SG &amp; A Expenses</b>	14,308	19,042	+4,734	+33.1%	36,400
Advertising Expenses	911	1,627	+716	+78.6%	2,484
Sales Commission	1,747	3,828	+2,081	+119.1%	7,870
R&D Expenses	6,448	7,148	+700	+10.9%	17,068
Salaries & Wages	1,265	1,459	+194	+15.3%	3,100
Depreciation & Amortization	707	1,172	+465	+65.8%	2,819
Capital Expenditure	889	1,416	+527	+59.3%	4,227



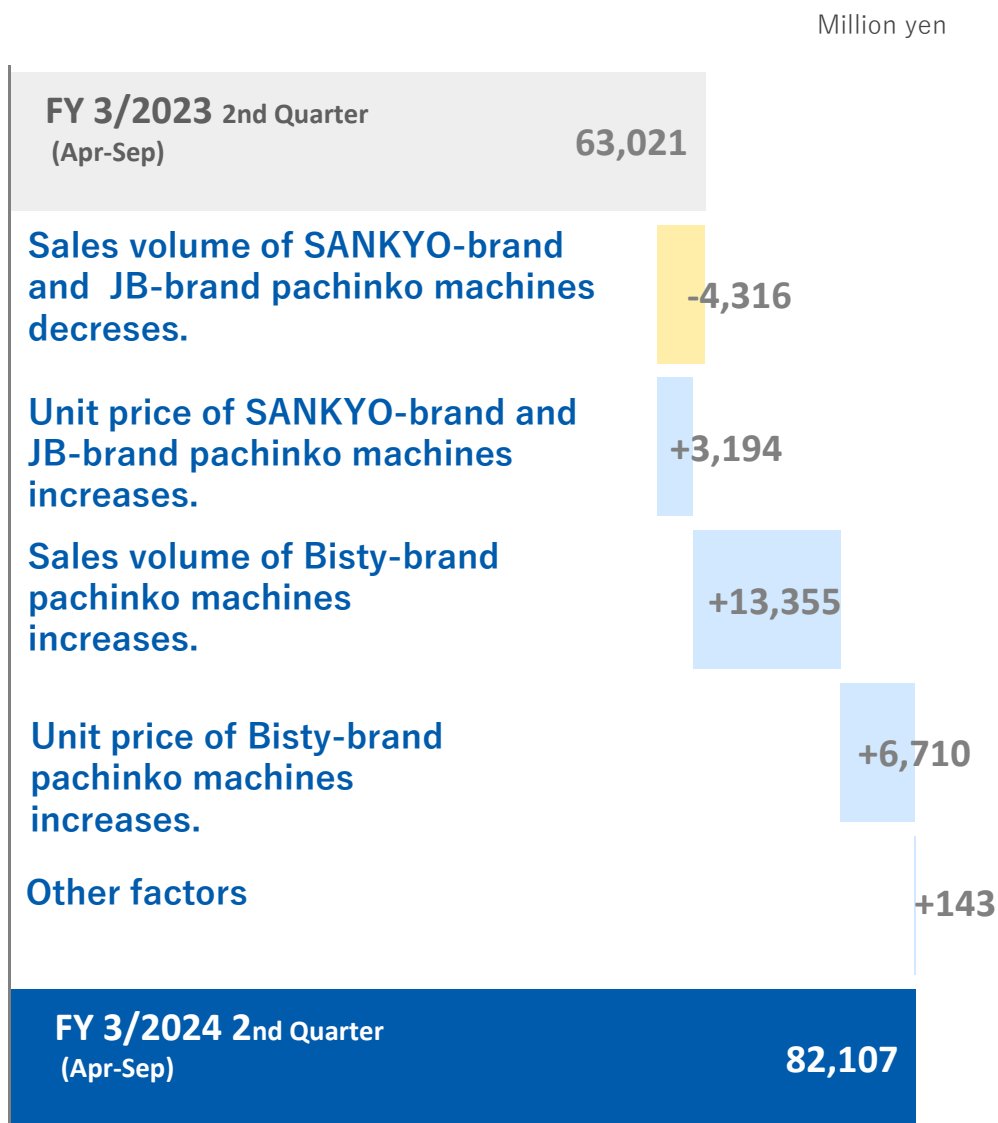
# Summary of Balance Sheet

million yen	As of 31-Mar-23	As of 30-Sep-23	YoY	Main Factors of Change
<b>Total current assets</b>	<b>321,797</b>	<b>317,860</b>	<b>-3,937</b>	
Quick assets	295,715	291,705	-4,010	Cash in a portion of marketable securities Decrease due to the repurchase of treasury stock
<b>Total fixed assets</b>	<b>44,153</b>	<b>44,752</b>	<b>+599</b>	
Investment securities	11,436	11,560	+124	
<b>Total assets</b>	<b>365,950</b>	<b>362,613</b>	<b>-3,337</b>	
<b>Total current liabilities</b>	<b>47,180</b>	<b>43,860</b>	<b>-3,320</b>	Decrease in accrued income taxes
<b>Total long-term liabilities</b>	<b>8,510</b>	<b>8,581</b>	<b>+71</b>	
<b>Total liabilities</b>	<b>55,691</b>	<b>52,442</b>	<b>-3,249</b>	
<b>Total net assets</b>	<b>310,259</b>	<b>310,170</b>	<b>-89</b>	Addition of net income Deduction of cash dividends paid and the repurchase of treasury stock
<b>Total liabilities and total net assets</b>	<b>365,950</b>	<b>362,613</b>	<b>-3,337</b>	

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## Factors of Change in Net sales



## Data

million yen	FY 3/2023 2Q	FY 3/2024 2Q	YoY
Net Sales	63,021	82,107	+19,086
Operating Income	28,275	36,515	+8,240
Percentage	44.9%	44.5%	-0.4pt
units			
Machines sales	144,304	167,818	+23,514
SANKYO+JB	125,060	115,042	-10,018
Frame	72,053	74,813	+2,760
Gauge	53,007	40,229	-12,778
Bisty	19,244	52,776	+33,532
Frame	12,162	46,720	+34,558
Gauge	7,082	6,056	-1,026

**+19,086**

# Pachinko Machines Business

New Title  
x 10

Reused  
Models etc.



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1Q

2Q

3Q

4Q

**SANKYO**  
Fever ENN ENN NO SHOUBOUTAI

**SANKYO**  
Fever MOBILE SUIT GUNDAM UNICORN LIGHT ver.

**JB**  
Fever Queen II 30th ANNIVERSARY EDITION

**SANKYO**  
Fever Kaguya-sama: Love Is War

**SANKYO**  
Fever Valvrave the Liberator 3

**Bisty**  
CODE GEASS Lelouch of the Rebellion -Rebellion to Re; surrection-

**Bisty**  
NEON GENESIS EVANGELION (Resale) -Roar for tomorrow-

**SANKYO**  
Fever MOBILE SUIT GUNDAM SEED

**SANKYO**  
Fever ARIFURETA SYOKUGYOU DE SEKAISAIKYOU

x 1

**SANKYO**  
Fever SPLASH x SPLASH

**SANKYO**  
Fever Fafner Dead Aggressor 3 EXODUS "Orihime" Light ver.

**SANKYO**  
Fever Symphogear 3 Ogon Zessho LIGHT VER.

**Bisty**  
EVANGELION:3.0+1.0 Type Rei / Type Kaworu

**Bisty**  
NEON GENESIS EVANGELION -Roar for tomorrow- SPECIAL EDITION

**Bisty**  
GODGILLA vs EVANGELION -G-cells awakening- PREMIUM MODEL

**Bisty**  
NEON GENESIS EVANGELION (Resale) -Roar for tomorrow-

**SANKYO**  
Fever Karakuri Circus Light ver.

Sales of Unit

77,458 units

90,360 units

- units

- units

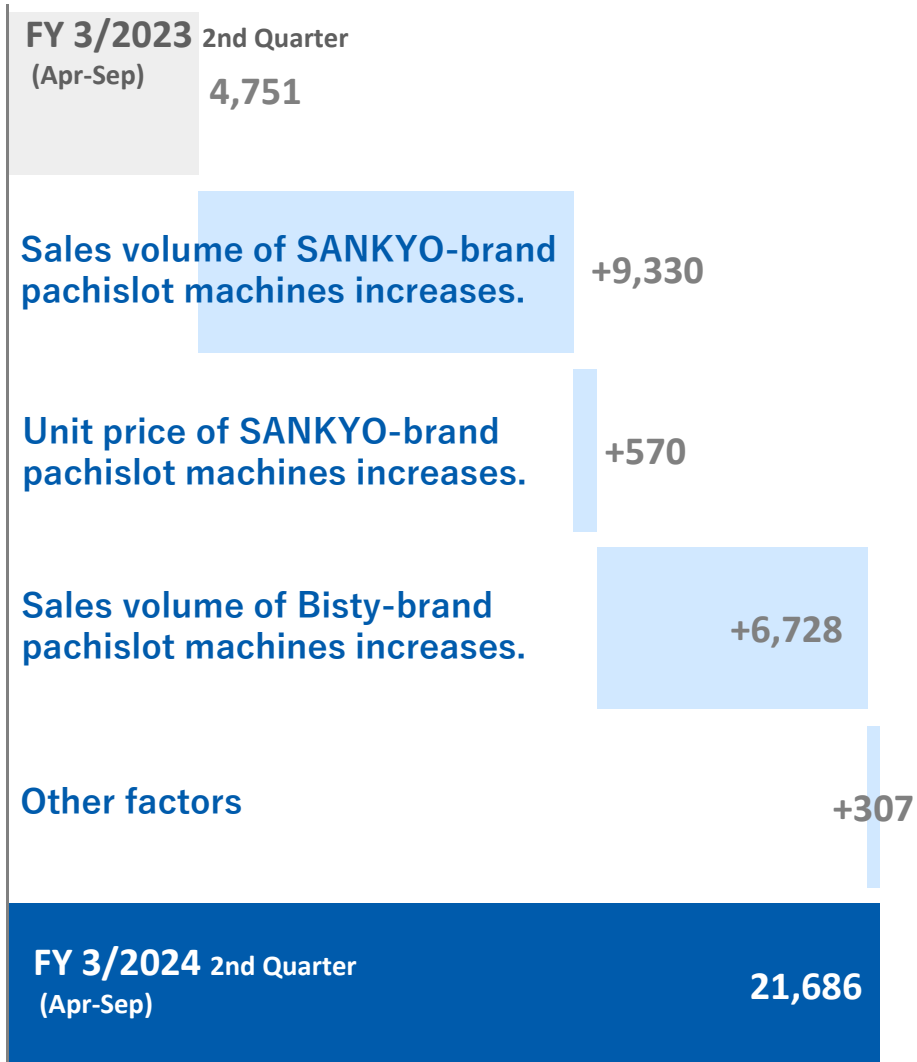
Progress

167,818 units (58.3 %)

FY 3/2024 Forecast  
287,800 units

## Factors of Change in Net sales

Million yen



## Data

million yen	FY 3/2023 2Q	FY 3/2024 2Q	YoY
Net Sales	4,751	21,686	+16,935
Operating Income	1,039	11,483	+10,444
Percentage	21.9%	53.0%	+31.1pt
units			
Machines sales	10,090	48,397	+38,307
SANKYO	10,090	30,691	+20,601
Bisty	0	17,706	+17,706

**+16,935**

# Pachislot Machines Business



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1Q



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2Q



©カラー

3Q



©2009,2011 BIGWEST/MACROSS F PROJECT

4Q

New Title  
x 5

**SANKYO**  
Pachislot ENN ENN NO SHOUBOUTAI

**SANKYO**  
(Resale) L Pachislot Valvrave the Liberator

**SANKYO**  
L Pachislot Karakuri Circus

**Bisty**  
L Evangelion -Genesis of Destiny-

※It was introduced in October, but its sales was recognized in Q2 financial results

**SANKYO**  
L Pachislot Macross Frontier 4

**Bisty**  
x 1

Sales of Unit

19,155 units

29,242 units

- units

- units

Progress

48,397 units (53.8 %)

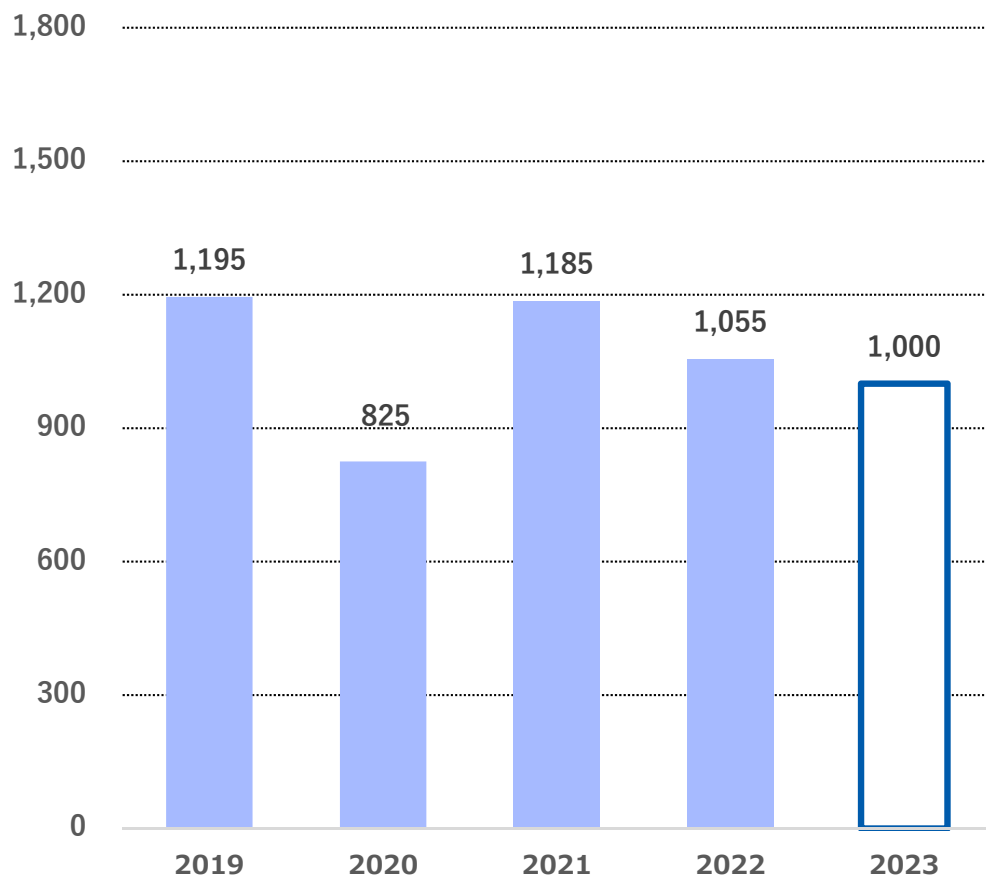
FY 3/2024 Forecast  
90,000 units

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## Sales Volume

Thousand units



※ Estimates of SANKYO

**Sales volume forecast FY2024 : 1,000<sup>thousand units</sup>**

(April 1, 2023 to March 31, 2024)

**Total number of units sold**

**Approx. 500<sup>thousand units</sup>** YoY Approx. -5%

(April to September, 2023)

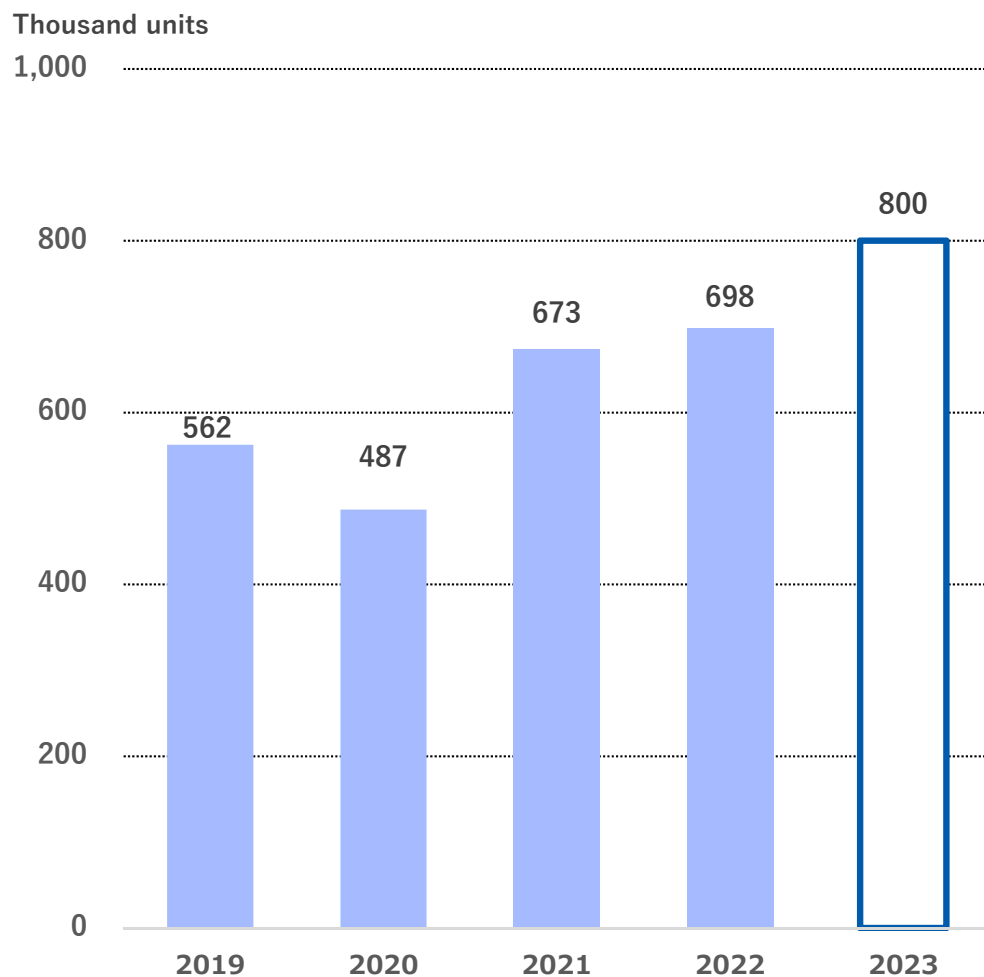
(3 titles sold 30,000 units or more.)

(April to September)

- ✓ Total sales volume in the period from April to September, 2023 fell short of the same period of the previous year.
  - Stagnant machine utilization is seen due to a lack of new titles to drive machine utilization.
  - Regarding Smart Pachinko machines, the differentiation of gaming performance from conventional pachinko machines is an issue. Therefore, full-scale diffusion of Smart Pachinko machines is expected to take a while.
- ✓ Increasing the number of hit titles to drive machine utilization becomes the key.
  - Among Smart Pachinko titles released, a hit title emerged. More emergences of hit title of Smart Pachinko is expected.
  - Increasing the number of hit titles is an urgent issue, regardless conventional pachinko machines or Smart Pachinko machines.



## Sales Volume



Source: Yano Research Institute

Sales volume forecast FY2024 :

750 thousand units



800 thousand units

(April 1, 2023 to March 31, 2024)

Total number of units sold

Approx. 400 thousand units YoY Approx. +66%

(April to September, 2023)

(5 titles sold 20,000 units or more.)

(April to September)

- ✓ Total sales volume in the period from April to September, 2023 exceeds the same period of the previous year.
  - The pachislot machines sales market has been buoyant against the backdrop of brisk machine utilization.
  - The rate of Smart Pachislot machines in the pachislot market increased up to approximately 20%.
- ✓ Strong demand, centered on the popular titles, is expected to continue from the Q3 onward.
  - Buyont demand will be expected due to the release of successor of popular titles of Smart Pachislot titles.
  - We revise the forecast of the total sales volume in pachislot market from 750 thousand units, assumed at initial forecast, to 800 thousand units,

- Aim to maintain and enhance brand power and share of sales in the pachinko market.
- Aim to ensure the Group forges ahead in the pachislot market.

## Q1-Q2

- ✓ Launch of mainstay titles and new IP titles.
  - Release of mainstay Pachinko title “Fever MOBILE SUIT GUNDAM SEED”.
  - Simultaneous release of pachinko and pachislot titles equipped with new IP “Enn Enn No SHOUBOUTAI”.
- ✓ Additional sales of pachinko title “NEON GENESIS EVANGELION –Roar for tomorrow-”.
  - Maintaining high machine utilization ever since its release in December 2021.
- ✓ Release of our second Smart Pachislot title of SANKYO Brand.
  - Release of Smart Pachislot title “L Pachislot Karakuri Circus”

## From Q3 onward

- ✓ Launch of 16th of “Neon Genesis Evangelion” series of pachinko machine, which is first Smart Pachinko of SANKYO Group.
  - Simultaneous release of its conventional pachinko machine and its Smart Pachinko machine.
- ✓ Vigorous introduction of Smart Pachislot machines.
  - Introduction of “L Evangelion –Genesis of Destiny-” in Q3, and launch of “L Pachislot Macross Frontier 4” in Q4.
  - Scheduled to release of 4 titles of Smart Pachislot among 5 titles, scheduled to release during this fiscal year.
- ✓ Vigorous introduction of pachinko/pachislot machines equipped with new IP.
  - Launch of new IP pachinko machine titles “Fever Kaguya-sama: Love Is War” and “Fever ARIFURETA SYOKUGYOU DE SEKAISAIKYOU”.

# Lanuch of 16th of “Neon Genesis Evangelion” Series of Pachinko Machine (planned release date: December)

Simultaneous release of Smart Pachinko machine which is first release of “Neon Genesis Evangelion” series of pachinko machine.



Equipped with footage from the movie  
EVANGELION:3.0 + 1.0

Type Rei (conventional pachinko machine )

Following the well-received case of the previous title NEON GENESIS EVANGELION -Roar for tomorrow-, the machine features a high-impact figurine of Rei Ayanami.

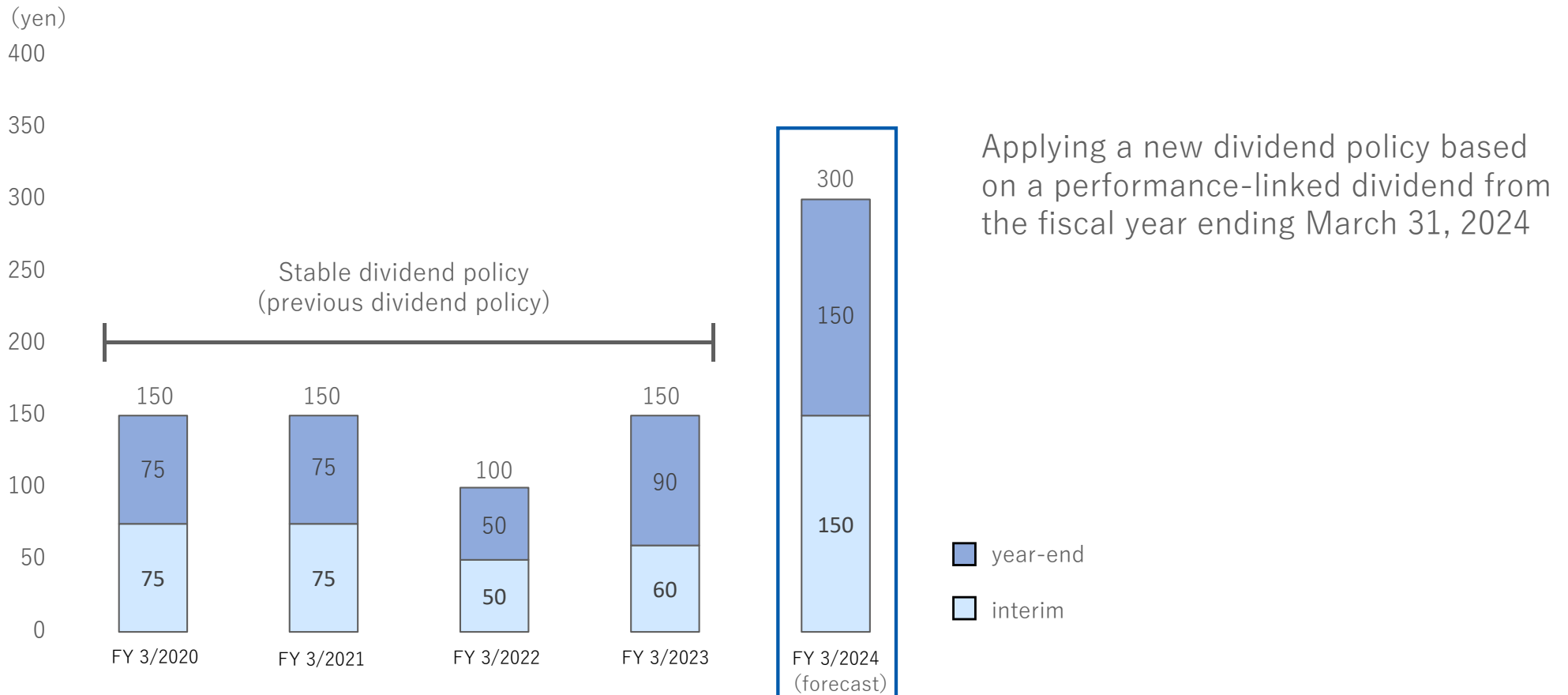
Type Kaworu (Smart Pachinko machine)

Equipped with “e Freedom Frame”, a simple yet high-performance new frame with a meticulously designed top lamp, speakers, and other devices.

## < New Dividend Policy >

The Company's basic policy is to pay performance-linked dividends with a consolidated dividend payout ratio of 40% as a benchmark. However, the minimum annual dividend per share shall be set at ¥100 to maintain stable dividends. For the interim dividend, a consolidated dividend payout ratio of 40% for the first six months of the fiscal year shall be the benchmark for the total dividend amount, but the interim dividend shall be no more than 50% of the forecast full-year dividend per share at the time the interim dividend amount is determined.

## < Dividend per share >



## Announcement of repurchase and cancellation of own shares (disclosed on November 7, 2023)

Board of Directors' meeting	Purchase period	Number of shares purchased and aggregate amount of repurchase cost:	Planned Disposal Date	Number of shares disposed
Nov. 7, 2023	Nov. 8, 2023 - Apr. 30, 2024	up to 10,000,000 shares up to 70 billion yen	Nov. 30, 2023	4,222,400

### < Results of repurchase of own shares to date >

Board of Directors' meeting	Purchase period	Number of shares purchased
June 13, 2008	June 24, 2008	1,000,000
June 11, 2010 & Dec. 7, 2010	June 14, 2010 - June 13, 2011	2,830,700
Feb. 3, 2015	Feb. 5, 2015	6,000,000
Feb. 5, 2015	Feb. 6, 2015	2,000,000
July 7, 2015	July 8, 2015 - Oct. 8, 2015	4,453,000
Aug. 6, 2019	Aug. 7, 2019 - Sep. 4, 2019	20,006,500
Nov. 8, 2021	Nov. 9, 2021 - Apr. 28, 2022	3,258,400
Sep. 21, 2023	Sep. 22, 2023	4,222,400
<b>Total</b>		<b>43,771,000</b>

### < Results of Cancellation of own shares to date >

Disposal date	Number of shares disposed
Mar. 27, 2015	8,000,000
Dec. 30, 2019	20,000,000
May. 31, 2022	3,258,400
<b>Total</b>	<b>31,258,400</b>

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# Business Results for the Second Quarter of FY 3/2024

Consolidated: million yen	FY 3/2023	FY 3/2024	YoY	Forecast	FY 3/2023				FY 3/2024		
	6 Months	6 Months		Full Year	Q1	Q2	Q3	Q4	FY	Q1	Q2
Net Sales	69,963	116,190	+46,227	175,000	27,763	42,200	58,102	29,231	157,296	50,777	65,413
Pachinko	63,021	82,107	+19,086	131,600	26,431	36,590	40,549	19,006	122,576	34,887	47,220
Pachislot	4,751	21,686	+16,935	35,100	628	4,123	9,425	8,375	22,551	9,056	12,630
Ball Bearing Supply	2,099	12,215	+10,116	8,000	660	1,439	8,080	1,814	11,993	6,734	5,481
Other Business	91	180	+89	300	42	49	48	36	175	97	83
Cost of Sales	29,238	51,687	+22,449	79,100	12,221	17,017	26,136	11,006	66,380	22,450	29,237
Gross Profit	40,724	64,502	+23,778	95,900	15,541	25,183	31,966	18,226	90,916	28,326	36,176
SG & A Expenses	14,308	19,042	+4,734	36,400	6,086	8,222	10,343	7,732	32,383	9,137	9,905
Operating Income	26,415	45,460	+19,045	59,500	9,455	16,960	21,624	10,493	58,532	19,188	26,272
Pachinko	28,275	36,515	+8,240	47,800	10,963	17,312	16,889	9,059	54,223	14,997	21,518
Pachislot	1,039	11,483	+10,444	16,400	(289)	1,328	5,299	2,942	9,280	4,818	6,665
Ball Bearing Supply	4	1,109	+1,105	500	(12)	16	629	109	742	595	514
Other Business	6	74	+68	100	1	5	9	6	21	32	42
Elimination/Corporate	(2,909)	(3,721)	-812	(5,300)	(1,207)	(1,702)	(1,203)	(1,622)	(5,734)	(1,255)	(2,466)
Recurring Income	26,842	45,863	+19,021	60,000	9,827	17,015	21,932	10,567	59,341	19,482	26,381
Extra ordinary Gains	3,301	434	-2,867	0	1,305	1,996	2,767	1,011	7,079	434	0
Extra ordinary Losses	5	7	+2	0	1	4	94	63	162	7	0
Net Income	21,306	32,787	+11,481	41,500	7,931	13,375	17,364	8,223	46,893	14,080	18,707
EPS: yen		565.54		742.10					807.52		

## Machines sales: units

Pachinko	144,304	167,818	+23,514	287,800	62,991	81,313	77,920	46,502	268,726	77,458	90,360
SANKYO+JB	125,060	115,042	-10,018	176,800	62,152	62,908	17,930	39,095	182,085	47,353	67,689
Bisty	19,244	52,776	+33,532	111,000	839	18,405	59,990	7,407	86,641	30,105	22,671
Pachislot	10,090	48,397	+38,307	90,000	1,254	8,836	19,968	21,523	51,581	19,155	29,242
SANKYO	10,090	30,691	+20,601	50,000	1,254	8,836	19,968	6,524	36,582	19,153	11,538
Bisty	0	17,706	+17,706	40,000	0	0	0	14,999	14,999	2	17,704

## GP Margin/OP Margin

Consolidated	FY 3/2023	FY 3/2024	YoY	Forecast	FY 3/2023				FY 3/2024		
	6 Months	6 Months		Full Year	Q1	Q2	Q3	Q4	FY	Q1	Q2
GP Margin	58.2%	55.5%	-2.7pt	54.8%	56.0%	59.7%	55.0%	62.4%	57.8%	55.8%	55.3%
OP Margin	37.8%	39.1%	+1.4pt	34.0%	34.1%	40.2%	37.2%	35.9%	37.2%	37.8%	40.2%

## Expenses etc.

Consolidated: million yen	FY 3/2023	FY 3/2024	YoY	Forecast	FY 3/2023				FY 3/2024		
	6 Months	6 Months		Full Year	Q1	Q2	Q3	Q4	FY	Q1	Q2
Sales Commission	1,747	3,828	+2,081	7,870	450	1,297	3,842	506	6,095	2,026	1,802
Advertising Expenses	911	1,627	+716	2,484	201	710	300	528	1,739	1,045	582
R&D Expenses	6,448	7,148	+700	17,068	2,969	3,479	3,753	4,094	14,295	3,505	3,643
Salaries & Wages	1,265	1,459	+194	3,100	622	643	1,085	638	2,988	722	737
Others	3,937	4,980	+1,043	5,878	1,844	2,093	1,363	1,966	7,266	1,839	3,141

### Consolidated: million yen

Capital Expenditure	889	1,416	+527	4,227	569	320	665	1,327	2,881	709	707
Depreciation & Amortization	707	1,172	+465	2,819	304	403	526	605	1,838	503	669

### Consolidated

No. of Employees	878	877	-1	904	887	878	873	864	864	878	877
No. of R&D Staff	274	270	-4	289	276	274	271	270	270	275	270

### Indirect Sales Ratio

SANKYO+JB Pachinko	20.8%	15.8%	-5.0pt	20.5%	23.9%	20.8%	20.2%	19.3%	19.3%	15.9%	15.8%
SANKYO Pachislot	27.5%	21.1%	-6.4pt	21.8%	6.1%	27.5%	22.8%	21.5%	21.5%	20.0%	21.1%



# Pachinko Machines Business

Consolidated: million yen	FY 3/2023	FY 3/2024	YoY	Forecast	FY 3/2023				FY 3/2024		
	6 Months	6 Months		Full Year	Q1	Q2	Q3	Q4	FY	Q1	Q2
Net Sales	63,021	82,107	+19,086	131,600	26,431	36,590	40,549	19,006	122,576	34,887	47,220
Operating Income	28,275	36,515	+8,240	47,800	10,963	17,312	16,889	9,059	54,223	14,997	21,518
Percentage	44.9%	44.5%	-0.4pt	36.3%	41.5%	47.3%	41.7%	47.7%	44.2%	43.0%	45.6%

## Machines sales: units

	FY 3/2023	FY 3/2024	YoY	Forecast	FY 3/2023				FY 3/2024		
	6 Months	6 Months		Full Year	Q1	Q2	Q3	Q4	FY	Q1	Q2
Pachinko	144,304	167,818	+23,514	287,800	62,991	81,313	77,920	46,502	268,726	77,458	90,360
SANKYO+JB	125,060	115,042	-10,018	176,800	62,152	62,908	17,930	39,095	182,085	47,353	67,689
Frame	72,053	74,813	+2,760	115,900	49,531	22,522	9,072	15,000	96,125	22,595	52,218
Gauge	53,007	40,229	-12,778	60,900	12,621	40,386	8,858	24,095	85,960	24,758	15,471
Bisty	19,244	52,776	+33,532	111,000	839	18,405	59,990	7,407	86,641	30,105	22,671
Frame	12,162	46,720	+34,558	96,000	292	11,870	59,667	368	72,197	24,075	22,645
Gauge	7,082	6,056	-1,026	15,000	547	6,535	323	7,039	14,444	6,030	26

## Titles to Release

FY 3/2024	Series name	Brand	Release Date	No. of Models	Unit Sales	
Q1	Fever ENN ENN NO SHOUBOUTAI	SANKYO	(Apr-23)	1	30,000	
	CODE GEASS Lelouch of the Rebellion -Rebellion to Re; surrection-	Bisty	(May-23)	1	20,000	
	NEON GENESIS EVANGELION -Roar for tomorrow- (Resale)	Bisty	(May-23)	1	10,000	
	Fever MOBILE SUIT GUNDAM UNICORN LIGHT ver.	SANKYO	(May-23)	1	9,300	
	Fever SPLASH × SPLASH	SANKYO	(Jun-23)	1	5,900	
	Fever Fafner Dead Aggressor 3 EXODUS "Orihime" Light ver.	SANKYO	(Jun-23)	1	--	
Q2	Fever Queen II 30th ANNIVERSARY EDITION	JB	(Jul-23)	1	8,000	
	Fever MOBILE SUIT GUNDAM SEED	SANKYO	(Aug-23)	1	50,100	
	Fever Symphogear 3 Ogon Zessho LIGHT VER.	SANKYO	(Sep-23)	1	5,600	
	NEON GENESIS EVANGELION -Roar for tomorrow- SPECIAL EDITION	Bisty	(Sep-23)	1	9,000	Total
	NEON GENESIS EVANGELION -Roar for tomorrow- (Resale)	Bisty	(Sep-23)	1	13,500	167,818
Q3	Fever Kaguya-sama: Love Is War	SANKYO	(Oct-23)	1	--	
	GODGILLA vs EVANGELION -G-cells awakening- PREMIUM MODEL	Bisty	(Oct-23)	1	--	
	Fever ARIFURETA SYOKUGYOU DE SEKAISAIKYOU	SANKYO	(Nov-23)	1	--	
	Fever Karakuri Circus Light ver.	SANKYO	(Dec-23)	1	--	
	EVANGELION:3.0+1.0 Type Rei / Type Kaworu	Bisty	(Dec-23)	2	--	
Q4	Fever Valvrave the Liberator 3	SANKYO	(Jan-24)	1	--	

# Pachislot Machines Business

Consolidated:million yen	FY 3/2023	FY 3/2024	YoY	Forecast	FY 3/2023	FY 3/2024					
	6 Months	6 Months		Full Year	Q1	Q2	Q3	Q4	FY	Q1	Q2
Net Sales	4,751	21,686	+16,935	35,100	628	4,123	9,425	8,375	22,551	9,056	12,630
Operating Income	1,039	11,483	+10,444	16,400	(289)	1,328	5,299	2,942	9,280	4,818	6,665
Percentage	21.9%	53.0%	+31.1pt	46.7%	(46.0%)	32.2%	56.2%	35.1%	41.2%	53.2%	52.8%

## Machines sales: units

	FY 3/2023	FY 3/2024	YoY	Forecast	FY 3/2023	FY 3/2024					
	6 Months	6 Months		Full Year	Q1	Q2	Q3	Q4	FY	Q1	Q2
Pachislot	10,090	48,397	+38,307	90,000	1,254	8,836	19,968	21,523	51,581	19,155	29,242
SANKYO	10,090	30,691	+20,601	50,000	1,254	8,836	19,968	6,524	36,582	19,153	11,538
Bisty	0	17,706	+17,706	40,000	0	0	0	14,999	14,999	2	17,704

## Titles to Release

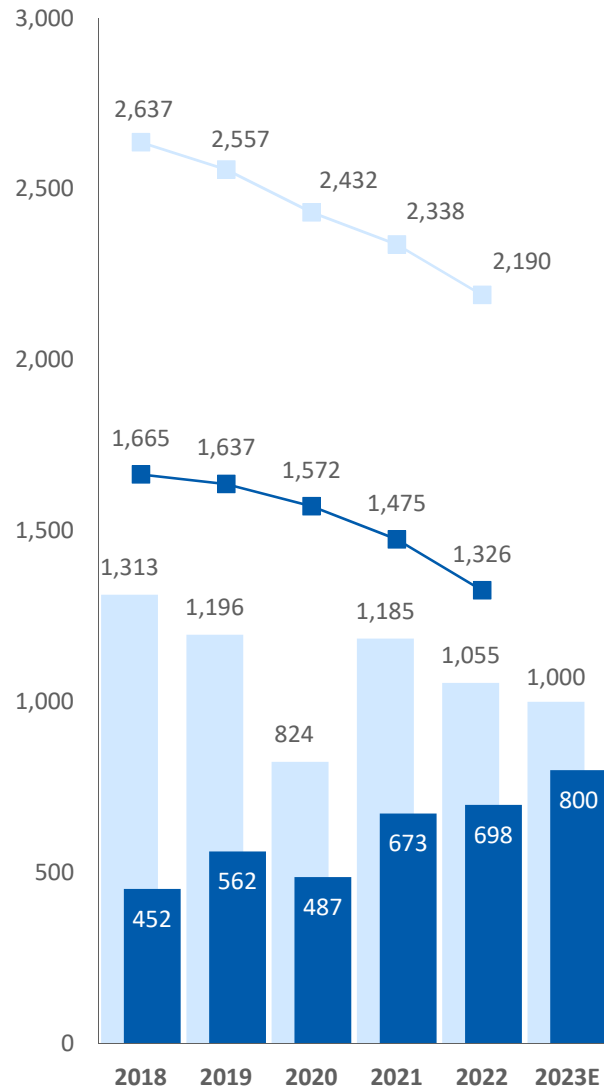
FY 3/2024	Series name	Brand	Release Date	Unit Sales	
Q1	L Pachislot Valvrave the Liberator (Resale)	SANKYO	(Apr-23)	--	
	Pachislot ENN ENN NO SHOUBOUTAI	SANKYO	(May-23)	15,000	
Q2	L Pachislot Karakuri Circus	SANKYO	(Jul-23)	13,200	Total
	L Evangelion -Genesis of Destiny-	Bisty	(Oct-23)※	17,700	48,397
Q3	--	--	--	--	
Q4	L Pachislot Macross Frontier 4	SANKYO	(Jan-24)	--	

※ It was introduced in October, but its sales was recognized in Q2 financial results

million yen	FY 3/2017	FY 3/2018	FY 3/2019	FY 3/2020	FY 3/2021	FY 3/2022	FY 3/2023	FY 3/2024E
Net Sales	81,455	86,220	88,558	78,416	58,129	84,857	157,296	175,000
Operating Income	5,059	10,181	21,286	12,551	6,587	21,357	58,532	59,500
Recurring Income	3,832	11,319	22,300	13,476	7,488	22,257	59,341	60,000
Net Income	1,777	5,550	13,384	13,045	5,749	18,466	46,893	41,500
Total Assets	390,585	396,291	399,585	325,232	292,104	309,213	365,950	
Total Net Assets	340,287	337,242	337,377	269,521	268,887	270,120	310,259	
DPS (Yen)	150.00	150.00	150.00	150.00	150.00	100.00	150.00	300.00
Return on Equity	0.5%	1.6%	4.0%	4.3%	2.1%	6.9%	16.3%	
Average ROE of five consecutive	2.5%	2.6%	2.3%	2.7%	2.5%	3.8%	5.9%	
Net Income Ratio	2.2%	6.4%	15.1%	16.6%	9.9%	21.8%	29.8%	
Total Asset Turnover	0.20	0.22	0.22	0.22	0.19	0.28	0.48	
Financial Leverage	1.17	1.16	1.18	1.19	1.15	1.12	1.14	

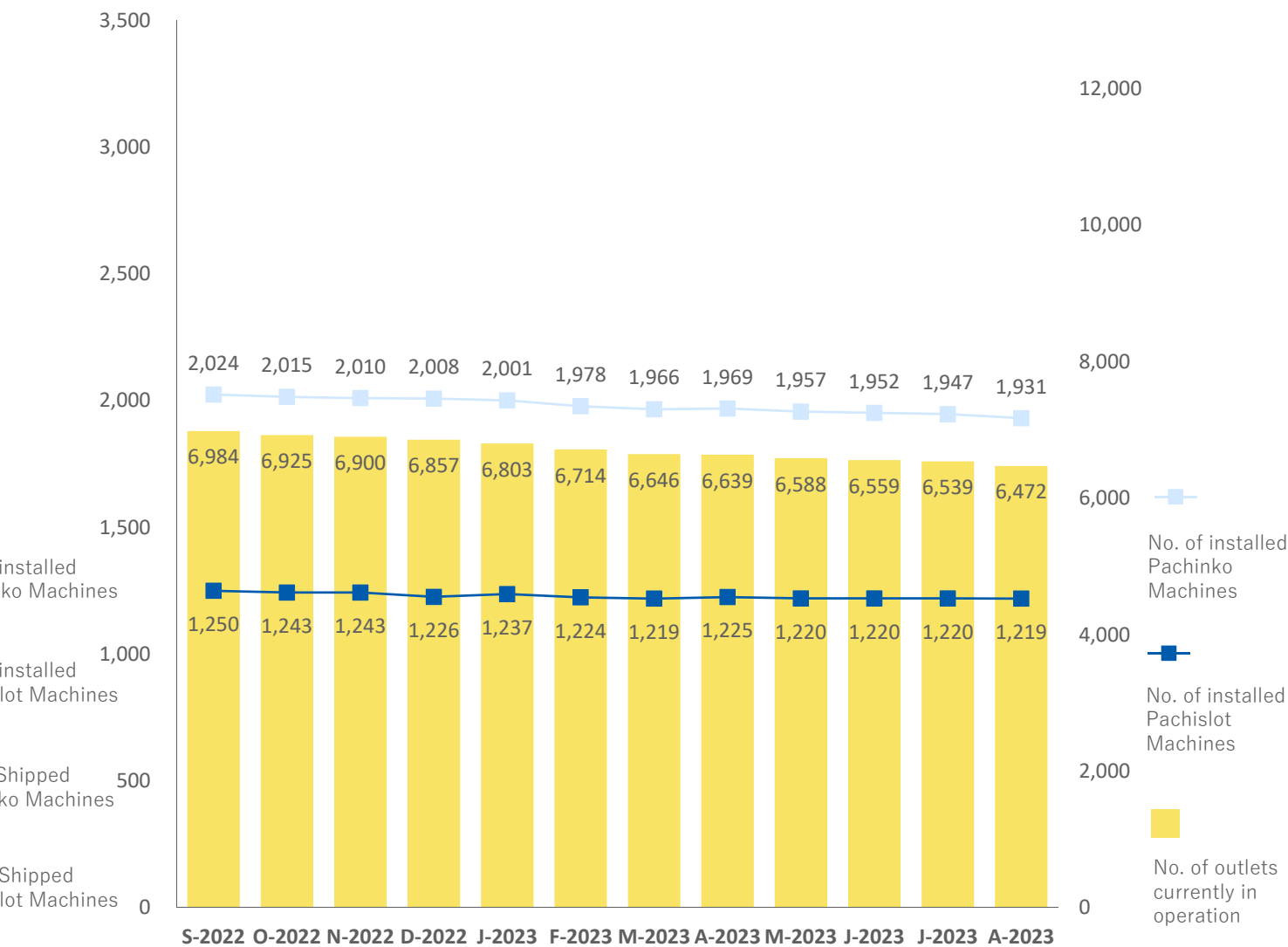
# Pachinko/Pachislot Machine Market

## Market size



(thousand units)

## Situation of Parlors that Are Members of Zennichiuren for recent a year

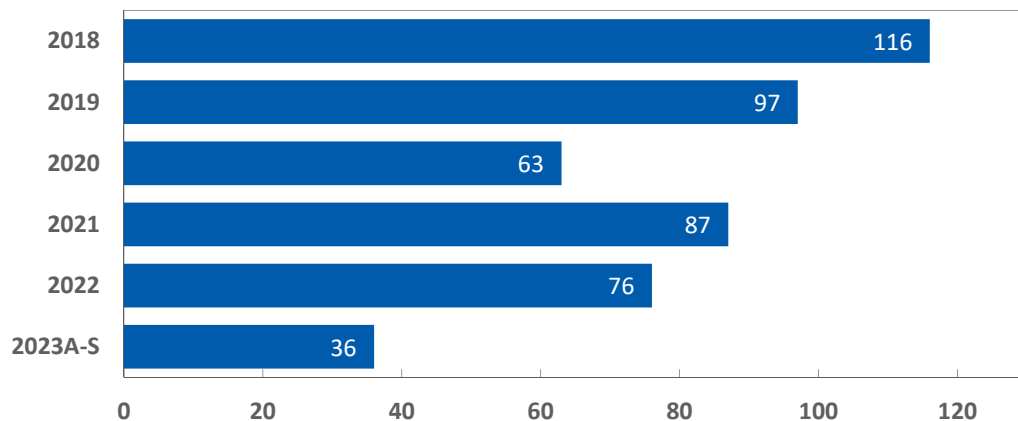


(thousand units)

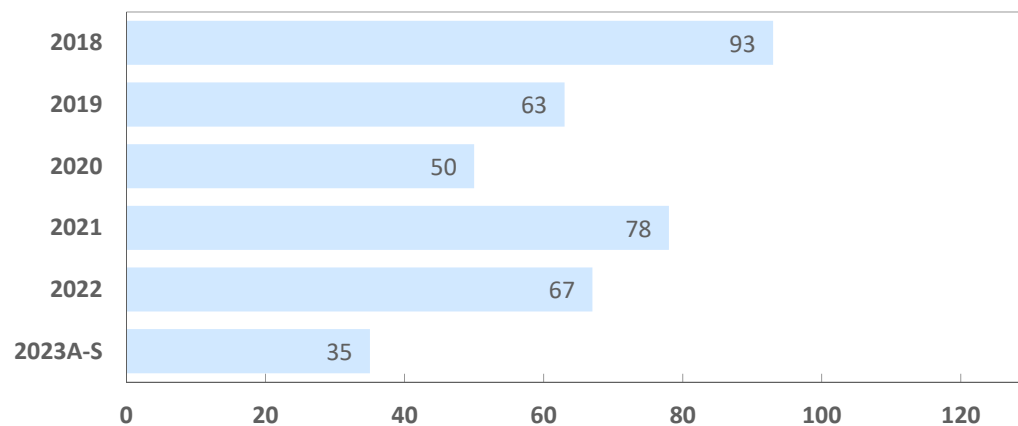
Source: National Police Agency, Yano Research Institute, Zennichiuren

## Number of Titles Sold (All Manufacturers)

### Pachinko machines



### Pachislot machines



※ Estimates of SANKYO

※ Except for reuse and sub spec models

## Compliance with Format Inspection

	2018	2019	2020	2021	2022	2023I-S
Applicant	711	945	912	990	910	703
Pass	336	430	295	313	230	150
Fail	333	560	499	598	669	501

### SANKYO Group (Number of Pass)

SANKYO+JB	30	28	37	23	25	25
Bisty	9	19	8	9	10	14
Total	39	47	45	32	35	39

including Arrange Ball, Jong-Kyu

	2018	2019	2020	2021	2022	2023I-S
Applicant	596	982	917	985	972	754
Pass	203	191	185	263	194	153
Fail	444	721	665	694	721	581

### SANKYO Group (Number of Pass)

SANKYO	6	9	2	9	10	4
Bisty	3	3	8	7	1	6
Total	9	12	10	16	11	10

Source: Security Electronics and Communications Technology Association

## Investor Relations Office Corporate Planning Division



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<https://www.sankyo-fever.co.jp/corporate/ir/>

### 【Notes of forecasts】

The Company's plans, strategies and forecasts, except historical facts, contained in this document may be subject to change due to factors of risk and uncertainty. Therefore, the Company does not guarantee their attainability explicitly or implicitly.

The Company assumes that the 'factors of potential risk and uncertainty' may include the economic climate, especially concerning the pachinko and pachislot markets which constitute the Company's main business field, competition in the market and competitiveness of the Company's products, and also include other unpredictable factors.

This material is an English translation of Japanese material made on November 8, 2023. Although the Company intended to faithfully translate the Japanese document into English, the accuracy and correctness of this translation are not guaranteed.