

**Third-Quarter Consolidated Financial Results Conference Call
for the Fiscal Year ending March 31, 2022: Q&A Summary
(January 26, 2022)**

Q What are your thoughts on the performance of catalog title sales in the third quarter of the March 2022 fiscal year?

A We have executed strategic pricing in stages based on our plan and performance has been in-line with our expectations.

Q It looks like *Monster Hunter Rise* has contributed to catalog sales growth in the fiscal year ending March 2022. Will there be a title that makes similar contributions in the fiscal year ending March 2023?

A We are finalizing our plan for the next fiscal year and are currently unable to share specific details. For the *Monster Hunter* series, we believe contributions may come from sales growth of *Monster Hunter Rise* following the upcoming release of *Monster Hunter Rise: Sunbreak*, as well as from long-running sales of *Monster Hunter: World*, etc.

Q Tell me about what measures you have in store for growing sales of *Monster Hunter Rise* on PC in conjunction with the upcoming release of *Monster Hunter Rise: Sunbreak*.

A Expanding the platforms on which we sold the title from only Nintendo Switch to also include the PC as well is a new endeavor for us, and as such we are continuing to closely watch sales trends. Further, we intend to take a long-term perspective in our approach to promotion of sales by carrying out strategic pricing in stages, as there are many consumers who use the PC as a gaming device in developing countries.

Q What is the importance of your film and media business?

A Its primary goal is to increase brand value, toward the end of expanding sales in the Consumer sub-segment. While in the long-term we are keeping the standalone profitability of this business in our sights, we believe it will require a certain amount of time to realize.

Q How confident are you that you will achieve your Consumer sub-segment unit sales volume guidance for the full fiscal year ending March 2022?

A We believe it is possible for us to achieve our target unit sales for both new and catalog titles through various promotional measures, such as discounts, etc.

Q Tell me about the title pipeline for the fiscal year ending March 2023.

A We are finalizing our plan for the next fiscal year and are currently unable to share specific details.

Q Given issues such as regulatory changes and the effect of parts shortages, what is your outlook on the Amusement Equipments business?

A We are currently unable to share specific details regarding our plan for the fiscal year ending March 2023. While we are putting together a plan that takes into account issues such as the regulatory environment and other external factors, we do not believe the plan will reflect a drastic turnaround at this time.

Q What are your thoughts on the profitability of the Digital Contents business going forward?

A We have continued to maintain a high level of profitability in the Digital Contents business due to the shift to digital sales; however, going forward there is the possibility of a certain amount of variation as we proceed to strengthen investment in our personnel, with the aim of securing and training creative talent.

Q Will there be any impact to your future development schedule due to platform hardware shortages?

A We believe there will not be any significant impact as we support a wide variety of platforms based on our multiplatform strategy.

Q What approach are you taking to the metaverse?

A We believe providing high-quality content is more important than the merits of necessarily being at the forefront. As such, we are considering our approach while making progress on future research toward the end goal of creating content that can best exhibit our company's strengths.

Q Do you plan to offer medal-less smart pachislo machines?

A We are currently considering our approach, however, are unable to share specific details at this time.

Q Has there been any impact from game restrictions in China, or from Covid demand?

A Most of our activity in the Chinese market takes the form of licensing out brands for mobile titles, and as such its impact on our business results should be small. While we currently do not believe that game restrictions in China will significantly affect us, we will continue to closely monitor market trends. Regarding Covid demand, while we may have received a certain, limited tailwind from this, we believe the primary cause of sales growth in our Consumer sub-segment has been our measures to shift to digital sales and not demand spurred by Covid.

Q Tell me about the impact on revenue from unit sales growth of catalog titles in developing countries.

A While North America and Europe remain our primary markets, and therefore comparatively the impact is not large, going forward we expect the ratio of sales in developing nations to improve with greater adoption of the PC platform and will continue promoting its growth.

Q How would you evaluate the Meta Quest 2 (Oculus Quest 2) edition of *Resident Evil 4* and what are your plans for future development of VR games?

A *Resident Evil 4* for Meta Quest 2 was a licensed-out project and as such its impact on revenue will be limited. We will take into account factors such as our accumulated know-how and the market environment in considering our approach to VR going forward.