



FY2017 Q3 Financial Results Briefing

GungHo Online Entertainment, Inc.
2017.11.2 (Tokyo Stock Exchange First Section- 3765)

- 1 Maximization of Existing Values
- 2 Creation of New Values
- 3 Summary of Settlement for Q3

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Puzzle & Dragons Radar





Competitive Play Mode Implemented

October 12, 2017

Provides a New Way of Enjoyment with PvP

Provides a new way of enjoying “Puzzle & Dragons”



“Puzzle & Dragons” series for smartphone



**PUZZLE
&
DRAGONS**

5 years since distribution
Skill of users still increasing



Implemented **competitive play mode**, Provides a new way of enjoying the game



Making “Puzzle & Dragons” for smartphone a title that is even more enjoyable

Players Battle Each Other With the Puzzle

Engage in puzzle battles in real-time in competitive play mode

First competitive play mode for "Puzzle & Dragons" smartphone series.
Find opponents online and battle with the opponents using puzzles.



Use skill to gain advantage in the battle



Invigorating puzzle action



You win if you eliminate the HP of your opponent

Capture the Soul Armor as a “Gatcha”

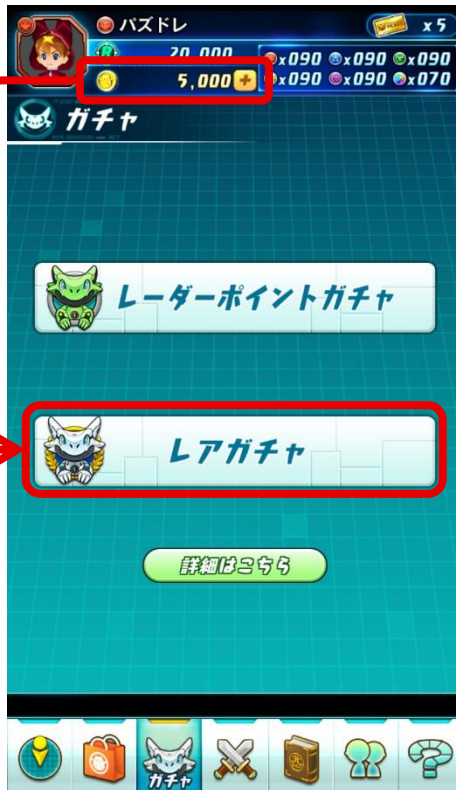
Capture soul armor with leader skills as a “Gatcha”

You can capture soul armor with various leader skills as a rare “gatcha”.

Equip yourself with the soul armor of your choice when battling your opponent.



The rare “gatcha” is a paid item. Use your gold.



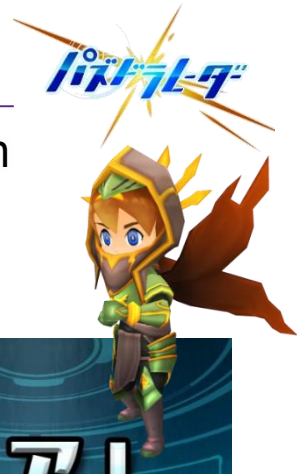
2 types of “gatcha”

Capture powerful soul armor using your rare “gatcha”

Generate monsters from monster medals

Form team using accumulated monsters

Perform a search where you move, and capture monster medals from the discovered treasure chest to generate monsters. Customize the accumulated monsters to form your team.



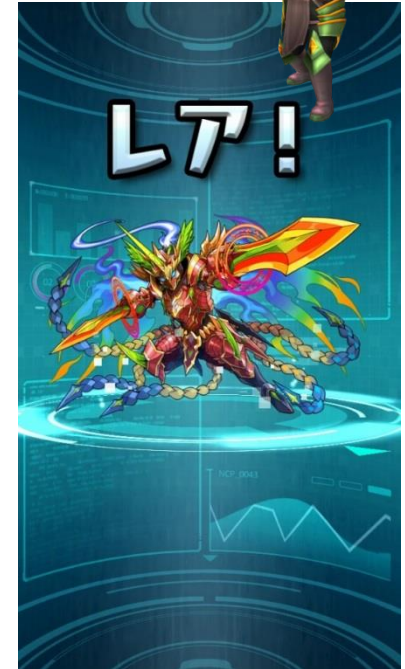
Treasure chests appear in the search



Accumulate monster medals



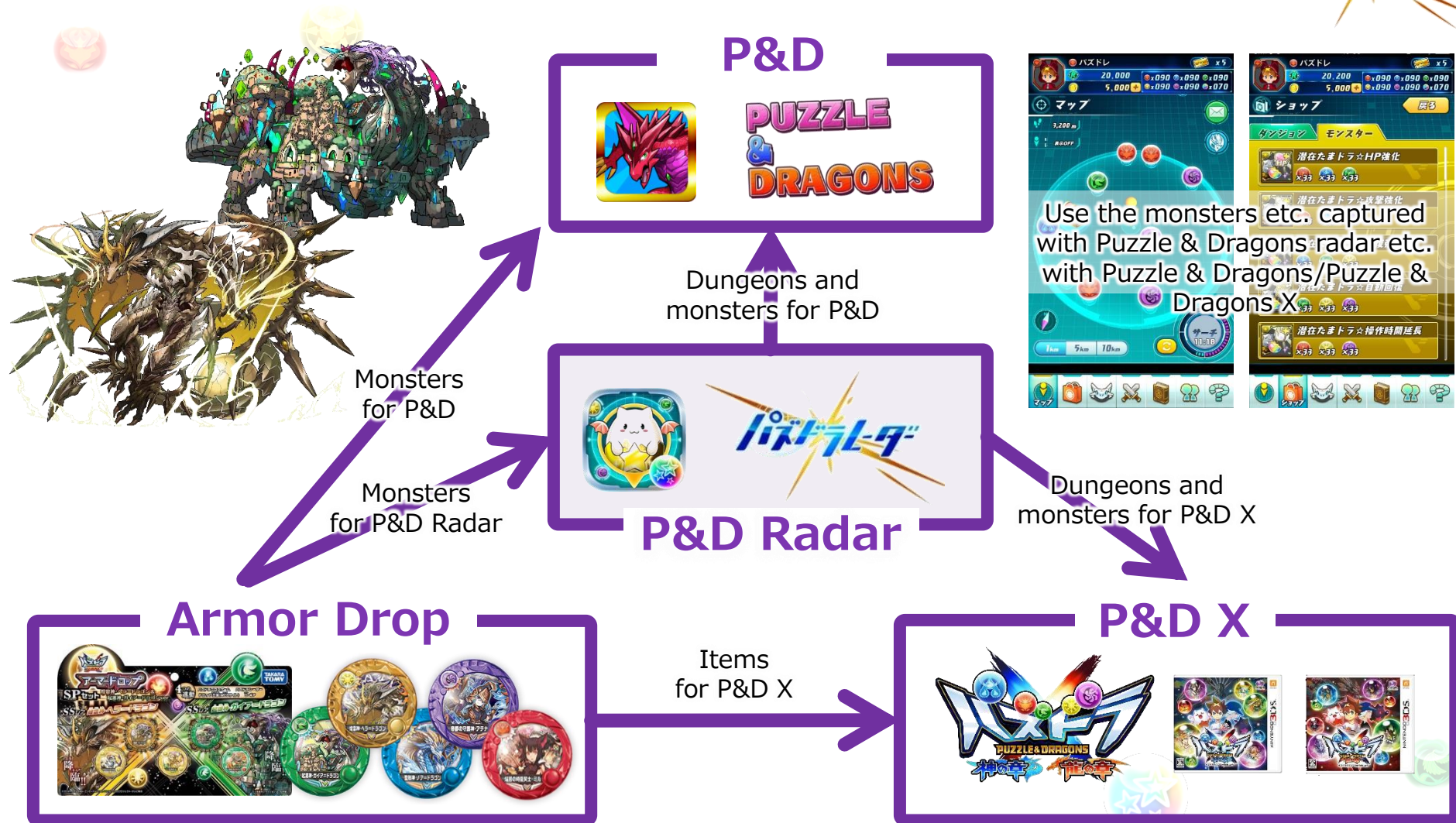
Generate monsters from monster medals



Battle with your opponent using the captured monsters

Various Linkages of Puzzle & Dragons Radar

Various linkages based on Puzzle & Dragons Radar



Divine Gate Zero

ディバインゲート零



Start of Divine Gate Zero Service

Start of a New Chapter – “Divine Gate Zero”

“Divine Gate” for which distribution started in September 2013, starts a new chapter with the move to “Divine Gate Zero”.

**Series total
Over 5.55M
downloads !**

Service to start from September 26th 2017



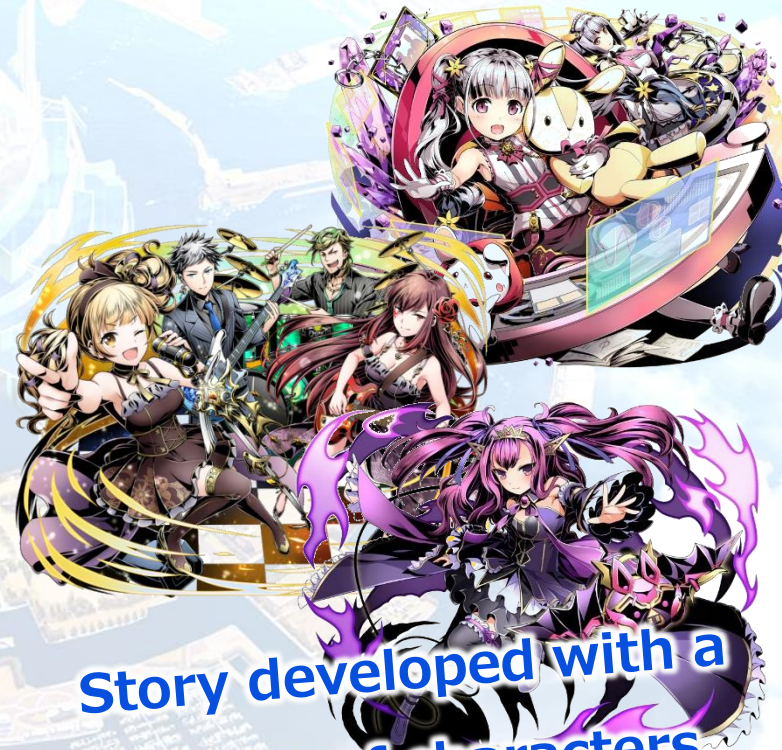
A Newly-Developing Story

New story developing with a variety of characters

New story in which you take back the eroded world with these six individualistic band members. More than 2,000 varieties of stylish characters appear!



Six new leading characters



Story developed with a variety of characters

Evolved Panel Action



Evolving to be faster and easier to use.

Combine panels to activate your skills! The speedy panel action utilizing smartphone operability to the maximum is evolving even further!



**Evolving dungeon battle
with increased strategy that
is even easier to play**



**Stronger story with
addition of an adventure
part**

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LET IT DIE



LET IT DIE Moving Forward

LET IT DIE will be continuously updated moving forward

LET
IT
DIE

2016/12/3
Launch in NA
and Europe

2016/12/30
Hitting 1MDLs

2017/2/2
Launch in
Japan and Asia

2017/2/14
Hitting 2MDLs

2017/3/9
Launch of
package ver.

2017/5/15
Hitting 3MDLs

2017/6/14-16
Exhibiting at
E3 2017

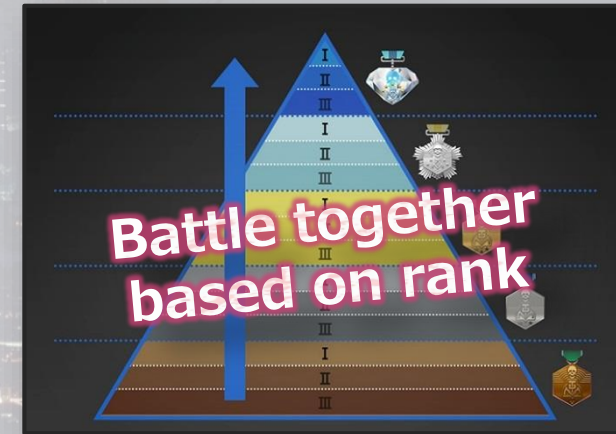
2017/8/10-9/7
Collaboration
with "GRAVITY
DAZE 2"

2017/6/29
Major update
"Battle to the Top"

2017/9/21-24
Exhibiting at
TGS 2017

**Continuous
update**

Major Evolution in Asynchronous PVP System



TDM Battle Rush Starts September 28th !

New Characters and Equipment Appear One after Another

By carrying out events and adding new equipment,
KPI will gradually increase

LET
IT
DIE

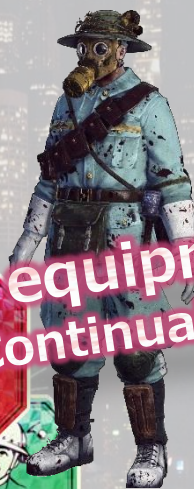
Seasonal events
Creepy Autumn



Preferred customizations
Waiting room renovation



New equipment/items
Continually added



New strong
enemies
BLACK THUNDER



Tokyo Game Show 2017 Exhibition

Exhibiting “LET IT DIE” at the Tokyo Game Show 2017



We announced new information and hold promotions at trial booths etc.



GungHo
Online Entertainment, Inc.
東京ゲームショウ2017情報

**TOKYO
GAME SHOW
2017**

9.21[THU]-22[FRI]	9.23[SAT]-24[SUN]
BUSINESS DAY	PUBLIC DAY



1st Anniversary Commemoration ! "World of Tanks" Collaboration



To commemorate the first anniversary of LET IT DIE, we will hold a limited-period collaboration with **World of Tanks**, which has passed 130M downloads

New titles under development

A large, faint, light-gray globe is centered in the background of the slide, showing the outlines of continents.

From a Japanese Market Oriented Game Development to
A Game Development for
“Worldwide Distribution”

11 New Release Pipelines



for Smartphone



for Consoles



for VR and new field

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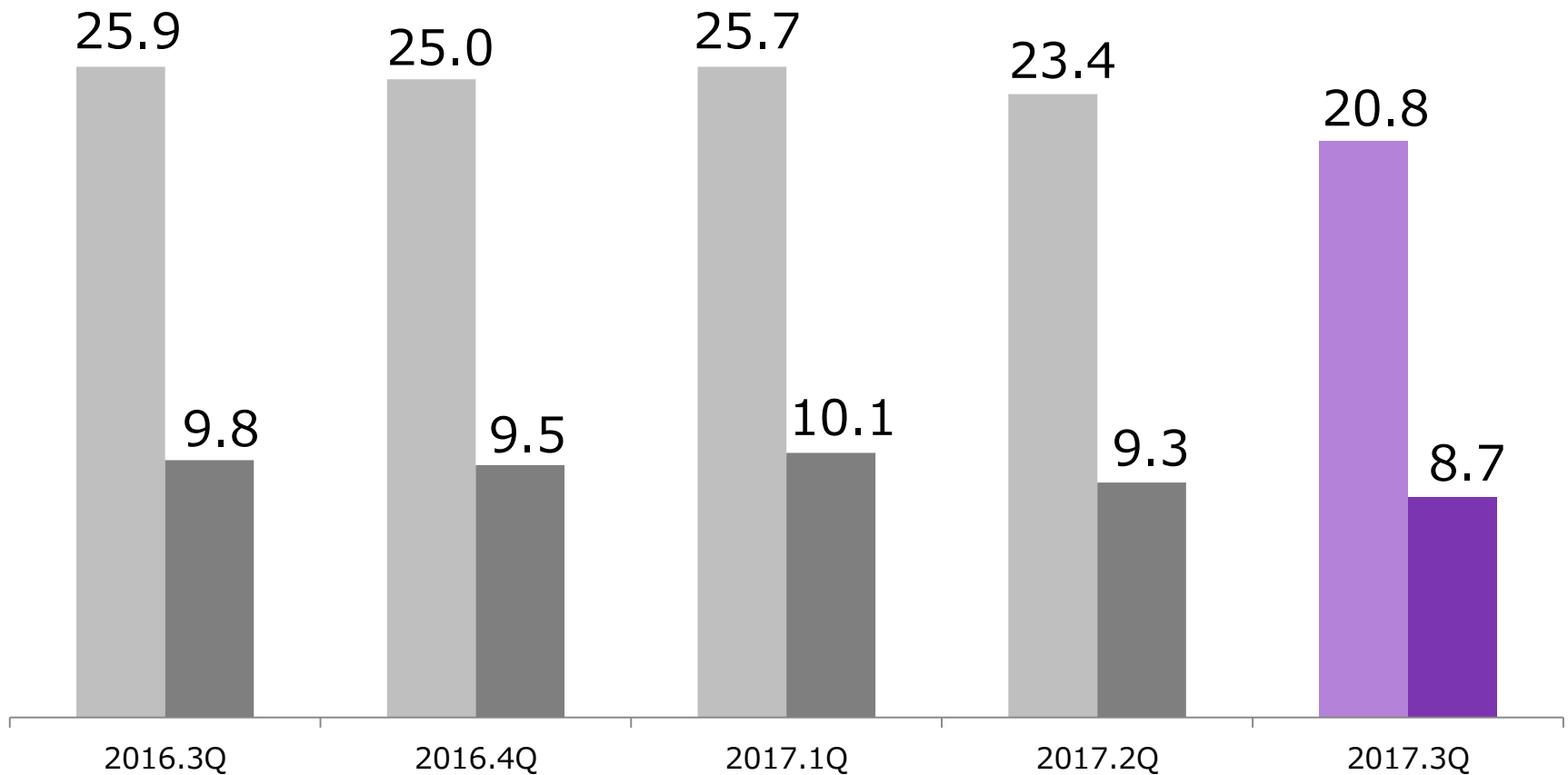
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Consolidated Financial Results– Quarterly



■ Net Sales
■ Operating Income

(Unit: billion yen)



Summary of Settlement for Q3

Performance

2017.3Q

Net Sales JPY 20.8 billion

Operating Income JPY 8.7 billion

Against the previous
quarter

- Decrease in income mainly due to lower sales of Puzzle & Dragons
- Despite increased efficiency in advertising/PR costs, profits slightly down due to reduction in sale

Main endeavors in Q3

- LET IT DIE Carry out improvements etc. in collaboration/game systems, exhibit at TGS 2017
- Puzzle & Dragons Radar
Competitive battle mode implemented
- Launch of Divine Gate Zero

Approach moving forward

- Existing titles
Preparation of events for end/start of year
- New titles
Effort for Development of Worldwide Distribution Titles



GungHo Online Entertainment, Inc.
IR Group, Corporate Planning Department
ir@gungho.jp

